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## House of Representatives

□ 1500

### VETERANS BENEFITS ACT OF 2003

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 2297) to amend title 38, United States Code, to improve benefits under laws administered by the Secretary of Veterans Affairs, and for other purposes.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the “Veterans Benefits Act of 2003”.

(b) *TABLE OF CONTENTS.*—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. References to title 38, United States Code.

#### TITLE I—SURVIVOR BENEFITS

Sec. 101. Retention of certain veterans survivor benefits for surviving spouses remarrying after age 57.

Sec. 102. Benefits for children with spina bifida of veterans of certain service in Korea.

Sec. 103. Alternative beneficiaries for National Service Life Insurance and United States Government Life Insurance.

Sec. 104. Payment of benefits accrued and unpaid at time of death.

#### TITLE II—BENEFITS FOR FORMER PRISONERS OF WAR AND FOR FILIPINO VETERANS

##### SUBTITLE A—FORMER PRISONERS OF WAR

Sec. 201. Presumptions of service-connection relating to diseases and disabilities of former prisoners of war.

### NOTICE

If the 108th Congress, 1st Session, adjourns sine die on or before November 22, 2003, a final issue of the Congressional Record for the 108th Congress, 1st Session, will be published on Monday, December 15, 2003, in order to permit Members to revise and extend their remarks.

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By order of the Joint Committee on Printing.

ROBERT W. NEY, *Chairman.*

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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## SUBTITLE B—FILIPINO VETERANS

- Sec. 211. Rate of payment of benefits for certain Filipino veterans and their survivors residing in the United States.
- Sec. 212. Burial benefits for new Philippine Scouts residing in the United States.
- Sec. 213. Extension of authority to maintain regional office in the Republic of the Philippines.

## TITLE III—EDUCATION BENEFITS, EMPLOYMENT PROVISIONS, AND RELATED MATTERS

- Sec. 301. Expansion of Montgomery GI Bill education benefits for certain self-employment training.
- Sec. 302. Increase in rates of survivors' and dependents' educational assistance.
- Sec. 303. Restoration of survivors' and dependents' education benefits of individuals being ordered to full-time National Guard duty.
- Sec. 304. Rounding down of certain cost-of-living adjustments on educational assistance.
- Sec. 305. Authorization for State approving agencies to approve certain entrepreneurship courses.
- Sec. 306. Repeal of provisions relating to obsolete education loan program.
- Sec. 307. Six-year extension of the Veterans' Advisory Committee on Education.
- Sec. 308. Procurement program for small business concerns owned and controlled by service-disabled veterans.
- Sec. 309. Outstationing of Transition Assistance Program personnel.

## TITLE IV—HOUSING BENEFITS AND RELATED MATTERS

- Sec. 401. Authorization to provide adapted housing assistance to certain disabled members of the Armed Forces who remain on active duty.
- Sec. 402. Increase in amounts for certain adaptive benefits for disabled veterans.
- Sec. 403. Permanent authority for housing loans for members of the Selected Reserve.
- Sec. 404. Reinstatement of minimum requirements for sale of vendee loans.
- Sec. 405. Adjustment to home loan fees.
- Sec. 406. One-year extension of procedures on liquidation sales of defaulted home loans guaranteed by the Department of Veterans Affairs.

## TITLE V—BURIAL BENEFITS

- Sec. 501. Burial plot allowance.
- Sec. 502. Eligibility of surviving spouses who remarry for burial in national cemeteries.
- Sec. 503. Permanent authority for State cemetery grants program.

## TITLE VI—EXPOSURE TO HAZARDOUS SUBSTANCES

- Sec. 601. Radiation Dose Reconstruction Program of Department of Defense.
- Sec. 602. Study on disposition of Air Force Health Study.
- Sec. 603. Funding of Medical Follow-Up Agency of Institute of Medicine of National Academy of Sciences for epidemiological research on members of the Armed Forces and veterans.

## TITLE VII—OTHER MATTERS

- Sec. 701. Time limitations on receipt of claim information pursuant to requests of Department of Veterans Affairs.
- Sec. 702. Clarification of applicability of prohibition on assignment of veterans benefits to agreements requiring payment of future receipt of benefits.

Sec. 703. Six-year extension of Advisory Committee on Minority Veterans.

Sec. 704. Temporary authority for performance of medical disabilities examinations by contract physicians.

Sec. 705. Forfeiture of benefits for subversive activities.

Sec. 706. Two-year extension of round-down requirement for compensation cost-of-living adjustments.

Sec. 707. Codification of requirement for expeditious treatment of cases on remand.

Sec. 708. Technical and clerical amendments.

## SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

## TITLE I—SURVIVOR BENEFITS

## SEC. 101. RETENTION OF CERTAIN VETERANS SURVIVOR BENEFITS FOR SURVIVING SPOUSES REMARRYING AFTER AGE 57.

(a) EXCEPTION TO TERMINATION OF BENEFITS UPON REMARRIAGE.—Section 103(d)(2)(B) is amended by striking "The remarriage after age 55" and inserting "The remarriage after age 57 of the surviving spouse of a veteran shall not bar the furnishing of benefits specified in paragraph (5) to such person as the surviving spouse of the veteran. Notwithstanding the previous sentence, the remarriage after age 55".

(b) COORDINATION OF BENEFITS.—Section 1311 is amended by adding at the end the following new subsection:

"(e) In the case of an individual who is eligible for dependency and indemnity compensation under this section by reason of section 103(d)(2)(B) of this title who is also eligible for benefits under another provision of law by reason of such individual's status as the surviving spouse of a veteran, then, notwithstanding any other provision of law (other than section 5304(b)(3) of this title), no reduction in benefits under such other provision of law shall be made by reason of such individual's eligibility for benefits under this section."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on January 1, 2004.

(d) RETROACTIVE BENEFITS PROHIBITED.—No benefit may be paid to any person by reason of the amendments made by subsections (a) and (b) for any period before the effective date specified in subsection (c).

(e) APPLICATION FOR BENEFITS.—In the case of an individual who but for having remarried would be eligible for benefits under title 38, United States Code, by reason of the amendment made by subsection (a) and whose remarriage was before the date of the enactment of this Act and after the individual had attained age 57, the individual shall be eligible for such benefits by reason of such amendment only if the individual submits an application for such benefits to the Secretary of Veterans Affairs not later than the end of the one-year period beginning on the date of the enactment of this Act.

(f) TECHNICAL CORRECTION.—Section 101(b) of the Veterans Benefits Act of 2002 (Public Law 107-330; 116 Stat. 2821; 38 U.S.C. 103 note) is amended by striking "during the 1-year period" and all that follows through "(c)" and inserting "before the end of the one-year period beginning on the date of the enactment of the Veterans Benefits Act of 2003".

## SEC. 102. BENEFITS FOR CHILDREN WITH SPINA BIFIDA OF VETERANS OF CERTAIN SERVICE IN KOREA.

(a) IN GENERAL.—Chapter 18 is amended—

(1) by redesignating subchapter III, and sections 1821, 1822, 1823, and 1824, as subchapter IV, and sections 1831, 1832, 1833, and 1834, respectively; and

(2) by inserting after subchapter II the following new subchapter III:

## "SUBCHAPTER III—CHILDREN OF CERTAIN KOREA SERVICE VETERANS BORN WITH SPINA BIFIDA

## "§ 1821. Benefits for children of certain Korea service veterans born with spina bifida

"(a) BENEFITS AUTHORIZED.—The Secretary may provide to any child of a veteran of covered service in Korea who is suffering from spina bifida the health care, vocational training and rehabilitation, and monetary allowance required to be paid to a child of a Vietnam veteran who is suffering from spina bifida under subchapter I of this chapter as if such child of a veteran of covered service in Korea were a child of a Vietnam veteran who is suffering from spina bifida under such subchapter.

"(b) SPINA BIFIDA CONDITIONS COVERED.—This section applies with respect to all forms and manifestations of spina bifida, except spina bifida occulta.

"(c) VETERAN OF COVERED SERVICE IN KOREA.—For purposes of this section, a veteran of covered service in Korea is any individual, without regard to the characterization of that individual's service, who—

"(1) served in the active military, naval, or air service in or near the Korean demilitarized zone (DMZ), as determined by the Secretary in consultation with the Secretary of Defense, during the period beginning on September 1, 1967, and ending on August 31, 1971; and

"(2) is determined by the Secretary, in consultation with the Secretary of Defense, to have been exposed to a herbicide agent during such service in or near the Korean demilitarized zone.

"(d) HERBICIDE AGENT.—For purposes of this section, the term 'herbicide agent' means a chemical in a herbicide used in support of United States and allied military operations in or near the Korean demilitarized zone, as determined by the Secretary in consultation with the Secretary of Defense, during the period beginning on September 1, 1967, and ending on August 31, 1971."

(b) CHILD DEFINED.—Section 1831, as redesignated by subsection (a) of this section, is amended by striking paragraph (1) and inserting the following new paragraph (1):

"(1) The term 'child' means the following:

"(A) For purposes of subchapters I and II of this chapter, an individual, regardless of age or marital status, who—

"(i) is the natural child of a Vietnam veteran; and

"(ii) was conceived after the date on which that veteran first entered the Republic of Vietnam during the Vietnam era.

"(B) For purposes of subchapter III of this chapter, an individual, regardless of age or marital status, who—

"(i) is the natural child of a veteran of covered service in Korea (as determined for purposes of section 1821 of this title); and

"(ii) was conceived after the date on which that veteran first entered service described in subsection (c) of that section."

(c) NONDUPLICATION OF BENEFITS.—Subsection (a) of section 1834, as redesignated by subsection (a) of this section, is amended by adding at the end the following new sentence: "In the case of a child eligible for benefits under subchapter I or II of this chapter who is also eligible for benefits under subchapter III of this chapter, a monetary allowance shall be paid under the subchapter of this chapter elected by the child."

(d) CONFORMING AMENDMENTS.—(1) Section 1811(1)(A) is amended by striking "section 1821(1)" and inserting "section 1831(1)".

(2) The heading for chapter 18 is amended to read as follows:

## "CHAPTER 18—BENEFITS FOR CHILDREN OF VIETNAM VETERANS AND CERTAIN OTHER VETERANS"

(e) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 18 is

amended by striking the items relating to subchapter III and sections 1821, 1822, 1823, and 1824 and inserting the following new items:

**"SUBCHAPTER III—CHILDREN OF CERTAIN KOREA SERVICE VETERANS BORN WITH SPINA BIFIDA**

**"1821. Benefits for children of certain Korea service veterans born with spina bifida.**

**"SUBCHAPTER IV—GENERAL PROVISIONS**

**"1831. Definitions.**

**"1832. Applicability of certain administrative provisions.**

**"1833. Treatment of receipt of monetary allowance and other benefits.**

**"1834. Nonduplication of benefits."**

(2) The table of chapters at the beginning of title 38, United States Code, and at the beginning of part II, are each amended by striking the item relating to chapter 18 and inserting the following new item:

**"18. Benefits for Children of Vietnam Veterans and Certain Other Veterans ..... 1802".**

**SEC. 103. ALTERNATIVE BENEFICIARIES FOR NATIONAL SERVICE LIFE INSURANCE AND UNITED STATES GOVERNMENT LIFE INSURANCE.**

(a) NATIONAL SERVICE LIFE INSURANCE.—Section 1917 is amended by adding at the end the following new subsection:

"(f)(1) Following the death of the insured and in a case not covered by subsection (d)—

"(A) if the first beneficiary otherwise entitled to payment of the insurance does not make a claim for such payment within two years after the death of the insured, payment may be made to another beneficiary designated by the insured, in the order of precedence as designated by the insured, as if the first beneficiary had predeceased the insured; and

"(B) if, within four years after the death of the insured, no claim has been filed by a person designated by the insured as a beneficiary and the Secretary has not received any notice in writing that any such claim will be made, payment may (notwithstanding any other provision of law) be made to such person as may in the judgment of the Secretary be equitably entitled thereto.

"(2) Payment of insurance under paragraph (1) shall be a bar to recovery by any other person."

(b) UNITED STATES GOVERNMENT LIFE INSURANCE.—Section 1952 is amended by adding at the end the following new subsection:

"(c)(1) Following the death of the insured and in a case not covered by section 1950 of this title—

"(A) if the first beneficiary otherwise entitled to payment of the insurance does not make a claim for such payment within two years after the death of the insured, payment may be made to another beneficiary designated by the insured, in the order of precedence as designated by the insured, as if the first beneficiary had predeceased the insured; and

"(B) if, within four years after the death of the insured, no claim has been filed by a person designated by the insured as a beneficiary and the Secretary has not received any notice in writing that any such claim will be made, payment may (notwithstanding any other provision of law) be made to such person as may in the judgment of the Secretary be equitably entitled thereto.

"(2) Payment of insurance under paragraph (1) shall be a bar to recovery by any other person."

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 2004.

(d) TRANSITION PROVISION.—In the case of a person insured under subchapter I or II of chapter 19 of title 38, United States Code, who dies before the effective date of the amendments made by subsections (a) and (b), as specified by

subsection (c), the two-year and four-year periods specified in subsection (f)(1) of section 1917 of title 38, United States Code, as added by subsection (a), and subsection (c)(1) of section 1952 of such title, as added by subsection (b), as applicable, shall for purposes of the applicable subsection be treated as being the two-year and four-year periods, respectively, beginning on the effective date of such amendments, as so specified.

**SEC. 104. PAYMENT OF BENEFITS ACCRUED AND UNPAID AT TIME OF DEATH.**

(a) REPEAL OF TWO-YEAR LIMITATION ON PAYMENT.—Section 5121(a) is amended by striking "for a period not to exceed two years" in the matter preceding paragraph (1).

(b) PAYMENT RECIPIENTS FOR BENEFICIARIES UNDER CHAPTER 18.—Such section is further amended—

(1) by striking "and" at the end of paragraph (4);

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following new paragraph (5):

"(5) Upon the death of a child claiming benefits under chapter 18 of this title, to the surviving parents."

(c) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in the matter preceding paragraph (1), by striking the comma after "or decisions";

(2) by striking the semicolon at the end of paragraphs (1), (2), (3), and (4), and at the end of subparagraphs (A) and (B) of paragraph (2), and inserting a period.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to deaths occurring on or after the date of the enactment of this Act.

**TITLE II—BENEFITS FOR FORMER PRISONERS OF WAR AND FOR FILIPINO VETERANS**

**Subtitle A—Former Prisoners of War**

**SEC. 201. PRESUMPTIONS OF SERVICE-CONNECTION RELATING TO DISEASES AND DISABILITIES OF FORMER PRISONERS OF WAR.**

Subsection (b) of section 1112 is amended to read as follows:

"(b)(1) For the purposes of section 1110 of this title and subject to the provisions of section 1113 of this title, in the case of a veteran who is a former prisoner of war—

"(A) a disease specified in paragraph (2) which became manifest to a degree of 10 percent or more after active military, naval, or air service shall be considered to have been incurred in or aggravated by such service, notwithstanding that there is no record of such disease during the period of service; and

"(B) if the veteran was detained or interned as a prisoner of war for not less than thirty days, a disease specified in paragraph (3) which became manifest to a degree of 10 percent or more after active military, naval, or air service shall be considered to have been incurred in or aggravated by such service, notwithstanding that there is no record of such disease during the period of service.

"(2) The diseases specified in this paragraph are the following:

"(A) Psychosis.

"(B) Any of the anxiety states.

"(C) Dysthymic disorder (or depressive neurosis).

"(D) Organic residuals of frostbite, if the Secretary determines that the veteran was detained or interned in climatic conditions consistent with the occurrence of frostbite.

"(E) Post-traumatic osteoarthritis.

"(3) The diseases specified in this paragraph are the following:

"(A) Avitaminosis.

"(B) Beriberi (including beriberi heart disease).

"(C) Chronic dysentery.

"(D) Helminthiasis.

"(E) Malnutrition (including optic atrophy associated with malnutrition).

"(F) Pellagra.

"(G) Any other nutritional deficiency.

"(H) Cirrhosis of the liver.

"(I) Peripheral neuropathy except where directly related to infectious causes.

"(J) Irritable bowel syndrome.

"(K) Peptic ulcer disease."

**Subtitle B—Filipino Veterans**

**SEC. 211. RATE OF PAYMENT OF BENEFITS FOR CERTAIN FILIPINO VETERANS AND THEIR SURVIVORS RESIDING IN THE UNITED STATES.**

(a) RATE OF PAYMENT.—Section 107 is amended—

(1) in the second sentence of subsection (b), by striking "Payments" and inserting "Except as provided in subsection (c), payments"; and

(2) in subsection (c)—

(A) by inserting "and subchapter II of chapter 13 (except section 1312(a)) of this title" after "chapter 11 of this title";

(B) by striking "in subsection (a)" and inserting "in subsection (a) or (b)"; and

(C) by striking "of subsection (a)" and inserting "of the applicable subsection".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to benefits paid for months beginning after the date of the enactment of this Act.

**SEC. 212. BURIAL BENEFITS FOR NEW PHILIPPINE SCOUTS RESIDING IN THE UNITED STATES.**

(a) BENEFIT ELIGIBILITY.—Section 107, as amended by section 211 of this Act, is amended—

(1) in subsection (b)(2)—

(A) by striking "and" and inserting a comma; and

(B) by inserting ", 23, and 24 (to the extent provided for in section 2402(8))" after "(except section 1312(a))";

(2) in the second sentence of subsection (b), as so amended, by inserting "or (d)" after "subsection (c)";

(3) in subsection (d)(1), by inserting "or (b), as otherwise applicable," after "subsection (a)"; and

(4) in subsection (d)(2), by inserting "or whose service is described in subsection (b) and who dies after the date of the enactment of the Veterans Benefits Act of 2003," after "November 1, 2000,".

(b) NATIONAL CEMETERY INTERMENT.—Section 2402(8) is amended by striking "section 107(a)" and inserting "subsection (a) or (b) of section 107".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to deaths occurring on or after the date of the enactment of this Act.

**SEC. 213. EXTENSION OF AUTHORITY TO MAINTAIN REGIONAL OFFICE IN THE REPUBLIC OF THE PHILIPPINES.**

Section 315(b) is amended by striking "December 31, 2003" and inserting "December 31, 2009".

**TITLE III—EDUCATION BENEFITS, EMPLOYMENT PROVISIONS, AND RELATED MATTERS**

**SEC. 301. EXPANSION OF MONTGOMERY GI BILL EDUCATION BENEFITS FOR CERTAIN SELF-EMPLOYMENT TRAINING.**

(a) DEFINITION OF TRAINING ESTABLISHMENT.—Section 3452(e) is amended by striking "means any" and all that follows and inserting "means any of the following:

"(1) An establishment providing apprentice or other on-job training, including those under the supervision of a college or university or any State department of education.

"(2) An establishment providing self-employment on-job training consisting of full-time training for a period of less than six months that is needed or accepted for purposes of obtaining licensure to engage in a self-employment occupation or required for ownership and operation of a franchise that is the objective of the training.

“(3) A State board of vocational education.

“(4) A Federal or State apprenticeship registration agency.

“(5) A joint apprenticeship committee established pursuant to the Act of August 16, 1937, popularly known as the ‘National Apprenticeship Act’ (29 U.S.C. 50 et seq.).

“(6) An agency of the Federal Government authorized to supervise such training.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect on the date that is six months after the date of the enactment of this Act and shall apply to self-employment on-job training approved and pursued on or after that date.

**SEC. 302. INCREASE IN RATES OF SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL ASSISTANCE.**

(a) **SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL ASSISTANCE.**—Section 3532 is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking “at the monthly rate of” and all that follows and inserting “at the monthly rate of \$788 for full-time, \$592 for three-quarter-time, or \$394 for half-time pursuit.”; and

(B) in paragraph (2), by striking “at the rate of” and all that follows and inserting “at the rate of the lesser of—

“(A) the established charges for tuition and fees that the educational institution involved requires similarly circumstanced nonveterans enrolled in the same program to pay; or

“(B) \$788 per month for a full-time course.”;

(2) in subsection (b), by striking “\$670” and inserting “\$788”; and

(3) in subsection (c)(2), by striking “shall be” and all that follows and inserting “shall be \$636 for full-time, \$477 for three-quarter-time, or \$319 for half-time pursuit.”.

(b) **CORRESPONDENCE COURSES.**—Section 3534(b) is amended by striking “\$670” and inserting “\$788”.

(c) **SPECIAL RESTORATIVE TRAINING.**—Section 3542(a) is amended—

(1) by striking “\$670” and inserting “\$788”; and

(2) by striking “\$210” each place it appears and inserting “\$247”.

(d) **APPRENTICESHIP TRAINING.**—Section 3687(b)(2) is amended by striking “shall be \$488 for the first six months” and all that follows and inserting “shall be \$574 for the first six months, \$429 for the second six months, \$285 for the third six months, and \$144 for the fourth and any succeeding six-month period of training.”.

(e) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on July 1, 2004, and shall apply with respect to educational assistance allowances payable under chapter 35 and section 3687(b)(2) of title 38, United States Code, for months beginning on or after that date.

**SEC. 303. RESTORATION OF SURVIVORS’ AND DEPENDENTS’ EDUCATION BENEFITS OF INDIVIDUALS BEING ORDERED TO FULL-TIME NATIONAL GUARD DUTY.**

(a) **DELIMITING DATE.**—Section 3512(h) is amended by inserting “or is involuntarily ordered to full-time National Guard duty under section 502(f) of title 32,” after “title 10.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect as of September 11, 2001.

**SEC. 304. ROUNDING DOWN OF CERTAIN COST-OF-LIVING ADJUSTMENTS ON EDUCATIONAL ASSISTANCE.**

(a) **BASIC EDUCATIONAL ASSISTANCE UNDER MONTGOMERY GI BILL.**—Section 3015(h) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by inserting “(1)” after “(h)”;

(3) by striking “(rounded to the nearest dollar)”;

(4) in subparagraph (B), as so redesignated, by striking “paragraph (1)” and inserting “subparagraph (A)”;

(5) by adding at the end the following new paragraph:

“(2) Any increase under paragraph (1) in a rate with respect to a fiscal year after fiscal year 2004 and before fiscal year 2014 shall be rounded down to the next lower whole dollar amount. Any such increase with respect to a fiscal year after fiscal year 2013 shall be rounded to the nearest whole dollar amount.”.

(b) **SURVIVORS’ AND DEPENDENTS’ EDUCATIONAL ASSISTANCE.**—Section 3564 is amended—

(1) by inserting “(a)” before “With”;

(2) by striking “(rounded to the nearest dollar)”;

(3) by adding at the end the following new subsection:

“(b) Any increase under subsection (a) in a rate with respect to a fiscal year after fiscal year 2004 and before fiscal year 2014 shall be rounded down to the next lower whole dollar amount. Any such increase with respect to a fiscal year after fiscal year 2013 shall be rounded to the nearest whole dollar amount.”.

**SEC. 305. AUTHORIZATION FOR STATE APPROVING AGENCIES TO APPROVE CERTAIN ENTREPRENEURSHIP COURSES.**

(a) **APPROVAL OF ENTREPRENEURSHIP COURSES.**—Section 3675 is amended by adding at the end the following new subsection:

“(c)(1) A State approving agency may approve the entrepreneurship courses offered by a qualified provider of entrepreneurship courses.

“(2) For purposes of this subsection, the term ‘entrepreneurship course’ means a non-degree, non-credit course of business education that enables or assists a person to start or enhance a small business concern (as defined pursuant to section 3(a) of the Small Business Act (15 U.S.C. 632(a))).

“(3) Subsection (a) and paragraphs (1) and (2) of subsection (b) shall not apply to—

“(A) an entrepreneurship course offered by a qualified provider of entrepreneurship courses; and

“(B) a qualified provider of entrepreneurship courses by reason of such provider offering one or more entrepreneurship courses.”.

(b) **BUSINESS OWNERS NOT TREATED AS ALREADY QUALIFIED.**—Section 3471 is amended by inserting before the last sentence the following: “The Secretary shall not treat a person as already qualified for the objective of a program of education offered by a qualified provider of entrepreneurship courses solely because such person is the owner or operator of a business.”.

(c) **INCLUSION OF ENTREPRENEURSHIP COURSES IN DEFINITION OF PROGRAM OF EDUCATION.**—Subsection (b) of section 3452 is amended by adding at the end the following: “Such term also includes any course, or combination of courses, offered by a qualified provider of entrepreneurship courses.”.

(d) **INCLUSION OF QUALIFIED PROVIDER OF ENTREPRENEURSHIP COURSES IN DEFINITION OF EDUCATIONAL INSTITUTION.**—Subsection (c) of section 3452 is amended by adding at the end the following: “Such term also includes any qualified provider of entrepreneurship courses.”.

(e) **DEFINITION OF QUALIFIED PROVIDER OF ENTREPRENEURSHIP COURSES.**—Section 3452 is further amended by adding at the end the following new subsection:

“(h) The term ‘qualified provider of entrepreneurship courses’ means any of the following entities insofar as such entity offers, sponsors, or cosponsors an entrepreneurship course (as defined in section 3675(c)(2) of this title):

“(1) Any small business development center described in section 21 of the Small Business Act (15 U.S.C. 648).

“(2) The National Veterans Business Development Corporation (established under section 33 of the Small Business Act (15 U.S.C. 657c)).”.

(f) **EFFECTIVE DATE.**—The amendments made by this section shall apply to courses approved by State approving agencies after the date of the enactment of this Act.

**SEC. 306. REPEAL OF PROVISIONS RELATING TO OBSOLETE EDUCATION LOAN PROGRAM.**

(a) **TERMINATION OF PROGRAM.**—The Secretary of Veterans Affairs may not make a loan under subchapter III of chapter 36 of title 38, United States Code, after the date of the enactment of this Act.

(b) **DISCHARGE OF LIABILITIES.**—Effective as of the date of the transfer of funds under subsection (c)—

(1) any liability on an education loan under subchapter III of chapter 36 of title 38, United States Code, that is outstanding as of such date shall be deemed discharged; and

(2) the right of the United States to recover an overpayment declared under section 3698(e)(1) of such title that is outstanding as of such date shall be deemed waived.

(c) **TERMINATION OF LOAN FUND.**—(1) Effective as of the day before the date of the repeal under this section of subchapter III of chapter 36 of title 38, United States Code, all monies in the revolving fund of the Treasury known as the “Department of Veterans Affairs Education Loan Fund” shall be transferred to the Department of Veterans Affairs Readjustment Benefits Account, and the revolving fund shall be closed.

(2) Any monies transferred to the Department of Veterans Affairs Readjustment Benefits Account under paragraph (1) shall be merged with amounts in that account and shall be available for the same purposes, and subject to the same conditions and limitations, as amounts in that account.

(d) **USE OF ENTITLEMENT TO VETERANS EDUCATIONAL ASSISTANCE FOR EDUCATION LOAN PROGRAM.**—Section 3462(a) is amended by striking paragraph (2).

(e) **REPEAL OF EDUCATION LOAN PROGRAM.**—Subchapter III of chapter 36 is repealed.

(f) **CONFORMING AMENDMENTS.**—(1) Section 3485(e)(1) is amended by striking “(other than an education loan under subchapter III)”.

(2) Section 3512 is amended by striking subsection (f).

(g) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 36 is amended by striking the items relating to subchapter III and sections 3698 and 3699.

(h) **EFFECTIVE DATES.**—(1) The amendments made by subsection (d) shall take effect on the date of the enactment of this Act.

(2) The amendments made by subsections (e), (f), and (g) shall take effect 90 days after the date of the enactment of this Act.

**SEC. 307. SIX-YEAR EXTENSION OF THE VETERANS’ ADVISORY COMMITTEE ON EDUCATION.**

(a) **MEMBERSHIP.**—Subsection (a) of section 3692 is amended in the second sentence by inserting “; to the maximum extent practicable,” after “The committee shall also”.

(b) **EXTENSION.**—Subsection (c) of that section is amended by striking “December 31, 2003” and inserting “December 31, 2009”.

(c) **TECHNICAL AMENDMENTS.**—That section is further amended—

(1) in subsections (a) and (b), by striking “chapter 106” each place it appears and inserting “chapter 1606”; and

(2) in subsection (b), by striking “chapter 30” and inserting “chapters 30”.

**SEC. 308. PROCUREMENT PROGRAM FOR SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.**

The Small Business Act (15 U.S.C. 631 et seq.) is amended by redesignating section 36 as section 37 and by inserting after section 35 the following new section:

**“SEC. 36. PROCUREMENT PROGRAM FOR SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.**

“(a) **SOLE SOURCE CONTRACTS.**—In accordance with this section, a contracting officer may award a sole source contract to any small business concern owned and controlled by service-disabled veterans if—

“(1) such concern is determined to be a responsible contractor with respect to performance of such contract opportunity and the contracting officer does not have a reasonable expectation that 2 or more small business concerns owned and controlled by service-disabled veterans will submit offers for the contracting opportunity;

“(2) the anticipated award price of the contract (including options) will not exceed—

“(A) \$5,000,000, in the case of a contract opportunity assigned a standard industrial classification code for manufacturing; or

“(B) \$3,000,000, in the case of any other contract opportunity; and

“(3) in the estimation of the contracting officer, the contract award can be made at a fair and reasonable price.

“(b) **RESTRICTED COMPETITION.**—In accordance with this section, a contracting officer may award contracts on the basis of competition restricted to small business concerns owned and controlled by service-disabled veterans if the contracting officer has a reasonable expectation that not less than 2 small business concerns owned and controlled by service-disabled veterans will submit offers and that the award can be made at a fair market price.

“(c) **RELATIONSHIP TO OTHER CONTRACTING PREFERENCES.**—A procurement may not be made from a source on the basis of a preference provided under subsection (a) or (b) if the procurement would otherwise be made from a different source under section 4124 or 4125 of title 18, United States Code, or the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.).

“(d) **ENFORCEMENT; PENALTIES.**—Rules similar to the rules of paragraphs (5) and (6) of section 8(m) shall apply for purposes of this section.

“(e) **CONTRACTING OFFICER.**—For purposes of this section, the term ‘contracting officer’ has the meaning given such term in section 27(f)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(f)(5)).”

**SEC. 309. OUTSTATIONING OF TRANSITION ASSISTANCE PROGRAM PERSONNEL.**

(a) **IN GENERAL.**—(1) Chapter 41 is amended by adding at the end the following new section:

**“§4113. Outstationing of Transition Assistance Program personnel**

“(a) **STATIONING OF TAP PERSONNEL AT OVERSEAS MILITARY INSTALLATIONS.**—(1) The Secretary—

“(A) shall station employees of the Veterans' Employment and Training Service, or contractors under subsection (c), at each veterans assistance office described in paragraph (2); and

“(B) may station such employees or contractors at such other military installations outside the United States as the Secretary, after consultation with the Secretary of Defense, determines to be appropriate or desirable to carry out the purposes of this chapter.

“(2) Veterans assistance offices referred to in paragraph (1)(A) are those offices that are established by the Secretary of Veterans Affairs on military installations pursuant to the second sentence of section 7723(a) of this title.

“(b) **FUNCTIONS.**—Employees (or contractors) stationed at military installations pursuant to subsection (a) shall provide, in person, counseling, assistance in identifying employment and training opportunities, help in obtaining such employment and training, and other related information and services to members of the Armed Forces who are being separated from active duty, and the spouses of such members, under the Transition Assistance Program and Disabled Transition Assistance Program established in section 1144 of title 10.

“(c) **AUTHORITY TO CONTRACT WITH PRIVATE ENTITIES.**—The Secretary, consistent with section 1144 of title 10, may enter into contracts with public or private entities to provide, in person, some or all of the counseling, assistance, information and services under the Transition Assistance Program required under subsection (a).”

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

“4113. Outstationing of Transition Assistance Program personnel.”

(b) **DEADLINE FOR IMPLEMENTATION.**—Not later than 90 days after the date of the enactment of this Act, the Secretary of Labor shall implement section 4113 of title 38, United States Code, as added by subsection (a), and shall have employees of the Veterans' Employment and Training Service, or contractors, to carry out that section at the military installations involved by such date.

(c) **ADDITIONAL AMENDMENT.**—(1) The second sentence of section 7723(a) is amended by inserting “and taking into account recommendations, if any, of the Secretary of Labor” after “Secretary of Defense”

(2) The amendment made by paragraph (1) shall apply with respect to offices established after the date of the enactment of this Act.

**TITLE IV—HOUSING BENEFITS AND RELATED MATTERS**

**SEC. 401. AUTHORIZATION TO PROVIDE ADAPTED HOUSING ASSISTANCE TO CERTAIN DISABLED MEMBERS OF THE ARMED FORCES WHO REMAIN ON ACTIVE DUTY.**

Section 2101 is amended by adding at the end the following new subsection:

“(c)(1) The Secretary may provide assistance under subsection (a) to a member of the Armed Forces serving on active duty who is suffering from a disability described in paragraph (1), (2), or (3) of that subsection if such disability is the result of an injury incurred or disease contracted in or aggravated in line of duty in the active military, naval, or air service. Such assistance shall be provided to the same extent as assistance is provided under that subsection to veterans eligible for assistance under that subsection and subject to the requirements of the second sentence of that subsection.

“(2) The Secretary may provide assistance under subsection (b) to a member of the Armed Forces serving on active duty who is suffering

from a disability described in subparagraph (A) or (B) of paragraph (1) of that subsection if such disability is the result of an injury incurred or disease contracted in or aggravated in line of duty in the active military, naval, or air service. Such assistance shall be provided to the same extent as assistance is provided under that subsection to veterans eligible for assistance under that subsection and subject to the requirements of paragraph (2) of that subsection.”

**SEC. 402. INCREASE IN AMOUNTS FOR CERTAIN ADAPTIVE BENEFITS FOR DISABLED VETERANS.**

(a) **INCREASE IN ASSISTANCE AMOUNT FOR SPECIALLY ADAPTED HOUSING.**—Section 2102 is amended—

(1) in the matter preceding paragraph (1) of subsection (a), by striking “\$48,000” and inserting “\$50,000”; and

(2) in subsection (b)(2), by striking “\$9,250” and inserting “\$10,000”.

(b) **INCREASE IN AMOUNT OF ASSISTANCE FOR AUTOMOBILE AND ADAPTIVE EQUIPMENT FOR CERTAIN DISABLED VETERANS.**—Section 3902(a) is amended by striking “\$9,000” and inserting “\$11,000”.

(c) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply with respect to assistance furnished on or after the date of the enactment of this Act.

**SEC. 403. PERMANENT AUTHORITY FOR HOUSING LOANS FOR MEMBERS OF THE SELECTED RESERVE.**

Section 3702(a)(2)(E) is amended by striking “For the period” and all that follows through “each” and inserting “Each”.

**SEC. 404. REINSTATEMENT OF MINIMUM REQUIREMENTS FOR SALE OF VENDEE LOANS.**

(a) **REINSTATEMENT.**—Subsection (a) of section 3733 is amended by adding at the end the following new paragraph:

“(7) During the period that begins on the date of the enactment of the Veterans' Benefits Act of 2003 and ends on September 30, 2013, the Secretary shall carry out the provisions of this subsection as if—

“(A) the references in the first sentence of paragraph (1) to ‘65 percent’ and ‘may be financed’ were references to ‘85 percent’ and ‘shall be financed’, respectively;

“(B) the second sentence of paragraph (1) were repealed; and

“(C) the reference in paragraph (2) to ‘September 30, 1990,’ were a reference to ‘September 30, 2013.’”

(b) **STYLISTIC AMENDMENTS.**—Such section is further amended—

(1) by striking “of this subsection” after—

(A) “paragraph (1)” in subsections (a)(4)(A), (a)(5), (a)(6), and (c)(2); and

(B) “paragraph (5)” in subsection (a)(4)(B)(i); and

(2) by striking “of this paragraph” each place it appears in subsection (a)(4).

**SEC. 405. ADJUSTMENT TO HOME LOAN FEES.**

Effective January 1, 2004, paragraph (2) of section 3729(b) is amended to read as follows:

“(2) The loan fee table referred to in paragraph (1) is as follows:

“LOAN FEE TABLE

Type of loan	Active duty veteran	Reservist	Other obligor
(A)(i) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed before January 1, 2004) .....	2.00	2.75	NA
(A)(ii) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed on or after January 1, 2004, and before October 1, 2004) .....	2.20	2.40	NA

## “LOAN FEE TABLE—Continued

Type of loan	Active duty veteran	Reservist	Other obligor
(A)(iii) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed on or after October 1, 2004, and before October 1, 2011) .....	2.15	2.40	NA
(A)(iv) Initial loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other initial loan described in section 3710(a) other than with 5-down or 10-down (closed on or after October 1, 2011) .....	1.40	1.65	NA
(B)(i) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed before January 1, 2004) .....	3.00	3.00	NA
(B)(ii) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed on or after January 1, 2004, and before October 1, 2011) .....	3.30	3.30	NA
(B)(iii) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed on or after October 1, 2011 and before October 1, 2013) .....	2.15	2.15	NA
(B)(iv) Subsequent loan described in section 3710(a) to purchase or construct a dwelling with 0-down, or any other subsequent loan described in section 3710(a) (closed on or after October 1, 2013) .....	1.25	1.25	NA
(C)(i) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed before October 1, 2011) .....	1.50	1.75	NA
(C)(ii) Loan described in section 3710(a) to purchase or construct a dwelling with 5-down (closed on or after October 1, 2011) .....	0.75	1.00	NA
(D)(i) Initial loan described in section 3710(a) to purchase or construct a dwelling with 10-down (closed before October 1, 2011) .....	1.25	1.50	NA
(D)(ii) Initial loan described in section 3710(a) to purchase or construct a dwelling with 10-down (closed on or after October 1, 2011) .....	0.50	0.75	NA
(E) Interest rate reduction refinancing loan .....	0.50	0.50	NA
(F) Direct loan under section 3711 .....	1.00	1.00	NA
(G) Manufactured home loan under section 3712 (other than an interest rate reduction refinancing loan) .....	1.00	1.00	NA
(H) Loan to Native American veteran under section 3762 (other than an interest rate reduction refinancing loan) .....	1.25	1.25	NA
(I) Loan assumption under section 3714 .....	0.50	0.50	0.50
(J) Loan under section 3733(a) .....	2.25	2.25	2.25”.

**SEC. 406. ONE-YEAR EXTENSION OF PROCEDURES ON LIQUIDATION SALES OF DEFAULTED HOME LOANS GUARANTEED BY THE DEPARTMENT OF VETERANS AFFAIRS.**

Section 3732(c)(11) is amended by striking “October 1, 2011” and inserting “October 1, 2012”.

**TITLE V—BURIAL BENEFITS**

**SEC. 501. BURIAL PLOT ALLOWANCE.**

(a) IN GENERAL.—Section 2303(b) is amended—  
(1) in the matter preceding paragraph (1), by striking “a burial allowance under such section 2302, or under such subsection, who was discharged from the active military, naval, or air service for a disability incurred or aggravated in line of duty, or who is a veteran of any war” and inserting “burial in a national cemetery under section 2402 of this title”; and  
(2) in paragraph (2), by striking “(other than a veteran whose eligibility for benefits under this subsection is based on being a veteran of any war)” and inserting “is eligible for a burial allowance under section 2302 of this title or under subsection (a) of this section, or was discharged from the active military, naval, or air service for a disability incurred or aggravated in line of duty, and such veteran”.

(b) CONFORMING AMENDMENT.—Section 2307 is amended in the last sentence by striking “and (b)” and inserting “and (b)(2)”.

**SEC. 502. ELIGIBILITY OF SURVIVING SPOUSES WHO REMARRY FOR BURIAL IN NATIONAL CEMETERIES.**

(a) ELIGIBILITY.—Section 2402(5) is amended by striking “(which for purposes of this chapter includes an unmarried surviving spouse who had a subsequent remarriage which was terminated by death or divorce)” and inserting

“(which for purposes of this chapter includes a surviving spouse who had a subsequent remarriage)”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to deaths occurring on or after January 1, 2000.

**SEC. 503. PERMANENT AUTHORITY FOR STATE CEMETERY GRANTS PROGRAM.**

(a) PERMANENT AUTHORITY.—Subsection (a) of section 2408 is amended—

- (1) by striking “(1)”; and
- (2) by striking paragraph (2).

(b) CONFORMING AMENDMENT.—Subsection (e) of such section is amended by striking “Sums appropriated under subsection (a) of this section” and inserting “Amounts appropriated to carry out this section”.

(c) TECHNICAL AMENDMENT TO REPEAL OBSOLETE PROVISION.—Subsection (d)(1) of such section is amended by striking “on or after November 21, 1997,”.

**TITLE VI—EXPOSURE TO HAZARDOUS SUBSTANCES**

**SEC. 601. RADIATION DOSE RECONSTRUCTION PROGRAM OF DEPARTMENT OF DEFENSE.**

(a) REVIEW OF MISSION, PROCEDURES, AND ADMINISTRATION.—(1) The Secretary of Veterans Affairs and the Secretary of Defense shall jointly conduct a review of the mission, procedures, and administration of the Radiation Dose Reconstruction Program of the Department of Defense.

(2) In conducting the review under paragraph (1), the Secretaries shall—

(A) determine whether any additional actions are required to ensure that the quality assurance and quality control mechanisms of the Ra-

diation Dose Reconstruction Program are adequate and sufficient for purposes of the program; and

(B) determine the actions that are required to ensure that the mechanisms of the Radiation Dose Reconstruction Program for communication and interaction with veterans are adequate and sufficient for purposes of the program, including mechanisms to permit veterans to review the assumptions utilized in their dose reconstructions.

(3) Not later than 90 days after the date of the enactment of this Act, the Secretaries shall jointly submit to Congress a report on the review under paragraph (1). The report shall set forth—

(A) the results of the review;

(B) a plan for any actions determined to be required under paragraph (2); and

(C) such other recommendations for the improvement of the mission, procedures, and administration of the Radiation Dose Reconstruction Program as the Secretaries jointly consider appropriate.

(b) ON-GOING REVIEW AND OVERSIGHT.—The Secretaries shall jointly take appropriate actions to ensure the on-going independent review and oversight of the Radiation Dose Reconstruction Program, including the establishment of the advisory board required by subsection (c).

(c) ADVISORY BOARD.—(1) In taking actions under subsection (b), the Secretaries shall jointly appoint an advisory board to provide review and oversight of the Radiation Dose Reconstruction Program.

(2) The advisory board under paragraph (1) shall be composed of the following:

(A) At least one expert in historical dose reconstruction of the type conducted under the Radiation Dose Reconstruction Program.

(B) At least one expert in radiation health matters.

(C) At least one expert in risk communications matters.

(D) A representative of the Department of Veterans Affairs.

(E) A representative of the Defense Threat Reduction Agency.

(F) At least three veterans, including at least one veteran who is a member of an atomic veterans group.

(3) The advisory board under paragraph (1) shall—

(A) conduct periodic, random audits of dose reconstructions under the Radiation Dose Reconstruction Program and of decisions by the Department of Veterans Affairs on claims for service connection of radiogenic diseases;

(B) assist the Department of Veterans Affairs and the Defense Threat Reduction Agency in communicating to veterans information on the mission, procedures, and evidentiary requirements of the Radiation Dose Reconstruction Program; and

(C) carry out such other activities with respect to the review and oversight of the Radiation Dose Reconstruction Program as the Secretaries shall jointly specify.

(4) The advisory board under paragraph (1) may make such recommendations on modifications in the mission or procedures of the Radiation Dose Reconstruction Program as the advisory board considers appropriate as a result of the audits conducted under paragraph (3)(A).

#### **SEC. 602. STUDY ON DISPOSITION OF AIR FORCE HEALTH STUDY.**

(a) **STUDY REQUIRED.**—The Secretary of Veterans Affairs shall, in accordance with this section, carry out a study to determine the appropriate disposition of the Air Force Health Study, an epidemiologic study of Air Force personnel who were responsible for conducting aerial spray missions of herbicides during the Vietnam era.

(b) **STUDY THROUGH NATIONAL ACADEMY OF SCIENCES.**—Not later than 60 days after the date of the enactment of this Act, the Secretary shall seek to enter into an agreement with the National Academy of Sciences, or another appropriate scientific organization, to carry out the study required by subsection (a).

(c) **ELEMENTS.**—Under the study under subsection (a), the National Academy of Sciences, or other appropriate scientific organization, shall address the following:

(1) The scientific merit of retaining and maintaining the medical records, other study data, and laboratory specimens collected in the course of the Air Force Health Study after the currently-scheduled termination date of the study in 2006.

(2) Whether or not any obstacles exist to retaining and maintaining the medical records, other study data, and laboratory specimens referred to in paragraph (1), including privacy concerns.

(3) The advisability of providing independent oversight of the medical records, other study data, and laboratory specimens referred to in paragraph (1), and of any further study of such records, data, and specimens, and, if so, the mechanism for providing such oversight.

(4) The advisability of extending the Air Force Health Study, including the potential value and relevance of extending the study, the potential cost of extending the study, and the Federal or non-Federal entity best suited to continue the study if extended.

(5) The advisability of making the laboratory specimens of the Air Force Health Study available for independent research, including the potential value and relevance of such research, and the potential cost of such research.

(d) **REPORT.**—Not later than 120 days after entering into an agreement under subsection (b),

the National Academy of Sciences, or other appropriate scientific organization, shall submit to the Secretary and Congress a report on the results of the study under subsection (a). The report shall include the results of the study, including the matters addressed under subsection (c), and such other recommendations as the Academy, or other appropriate scientific organization, considers appropriate as a result of the study.

#### **SEC. 603. FUNDING OF MEDICAL FOLLOW-UP AGENCY OF INSTITUTE OF MEDICINE OF NATIONAL ACADEMY OF SCIENCES FOR EPIDEMIOLOGICAL RESEARCH ON MEMBERS OF THE ARMED FORCES AND VETERANS.**

(a) **FUNDING.**—(1) The Secretary of Veterans Affairs and the Secretary of Defense shall each make available to the National Academy of Sciences in each of fiscal years 2004 through 2013 the amount of \$250,000 for the Medical Follow-Up Agency of the Institute of Medicine of the Academy for purposes of epidemiological research on members of the Armed Forces and veterans.

(2) The Secretary of Veterans Affairs shall make available amounts under paragraph (1) for a fiscal year from amounts available for the Department of Veterans Affairs for that fiscal year.

(3) The Secretary of Defense shall make available amounts under paragraph (1) for a fiscal year from amounts available for the Department of Defense for that fiscal year.

(b) **USE OF FUNDS.**—The Medical Follow-Up Agency shall use funds made available under subsection (a) for epidemiological research on members of the Armed Forces and veterans.

(c) **SUPPLEMENT NOT SUPPLANT.**—Amounts made available to the Medical Follow-Up Agency under this section for a fiscal year for the purposes referred to in subsection (b) are in addition to any other amount made available to the Agency for that fiscal year for those purposes.

### **TITLE VII—OTHER MATTERS**

#### **SEC. 701. TIME LIMITATIONS ON RECEIPT OF CLAIM INFORMATION PURSUANT TO REQUESTS OF DEPARTMENT OF VETERANS AFFAIRS.**

(a) **INFORMATION TO COMPLETE CLAIMS APPLICATIONS.**—Section 5102 is amended by adding at the end the following new subsection:

“(c) **TIME LIMITATION.**—(1) If information that a claimant and the claimant’s representative, if any, are notified under subsection (b) is necessary to complete an application is not received by the Secretary within one year from the date such notice is sent, no benefit may be paid or furnished by reason of the claimant’s application.

“(2) This subsection shall not apply to any application or claim for Government life insurance benefits.”.

(b) **CONSTRUCTION OF LIMITATION ON INFORMATION TO SUBSTANTIATE CLAIMS.**—Section 5103(b) is amended—

(1) in paragraph (1), by striking “if such” and all that follows through “application” and inserting “such information or evidence must be received by the Secretary within one year from the date such notice is sent”; and

(2) by adding at the end the following new paragraph:

“(3) Nothing in paragraph (1) shall be construed to prohibit the Secretary from making a decision on a claim before the expiration of the period referred to in that subsection.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as if enacted on November 9, 2000, immediately after the enactment of the Veterans Claims Assistance Act of 2000 (Public Law 106-475; 114 Stat. 2096).

(d) **PROCEDURES FOR READJUDICATION OF CERTAIN CLAIMS.**—(1) The Secretary of Veterans Affairs shall readjudicate a claim of a qualified claimant if the request for such readjudication is received not later than the end of the one-

year period that begins on the date of the enactment of this Act.

(2) For purposes of this subsection, a claimant is qualified within the meaning of paragraph (1) if the claimant—

(A) received notice under section 5103(a) of title 38, United States Code, requesting information or evidence to substantiate a claim;

(B) did not submit such information or evidence within a year after the date such notice was sent;

(C) did not file a timely appeal to the Board of Veterans’ Appeals or the United States Court of Appeals for Veterans Claims; and

(D) submits such information or evidence during the one-year period referred to in paragraph (1).

(3) If the decision of the Secretary on a readjudication under this subsection is in favor of the qualified claimant, the award of the grant shall take effect as if the prior decision by the Secretary on the claim had not been made.

(4) Nothing in this subsection shall be construed to establish a duty on the part of the Secretary to identify or readjudicate any claim that—

(A) is not submitted during the one-year period referred to in paragraph (1); or

(B) has been the subject of a timely appeal to the Board of Veterans’ Appeals or the United States Court of Appeals for Veterans Claims.

(e) **CONSTRUCTION ON PROVIDING RENOTIFICATION.**—Nothing in this section, or the amendments made by this section, shall be construed to require the Secretary of Veterans Affairs—

(1) to provide notice under section 5103(a) of such title with respect to a claim insofar as the Secretary has previously provided such notice; or

(2) to provide for a special notice with respect to this section and the amendments made by this section.

#### **SEC. 702. CLARIFICATION OF APPLICABILITY OF PROHIBITION ON ASSIGNMENT OF VETERANS BENEFITS TO AGREEMENTS REQUIRING PAYMENT OF FUTURE RECEIPT OF BENEFITS.**

Section 5301(a) is amended—

(1) by inserting “(1)” after “(a)”; and

(2) by designating the last sentence as paragraph (2); and

(3) by adding at the end the following new paragraph:

“(3)(A) This paragraph is intended to clarify that, in any case where a beneficiary entitled to compensation, pension, or dependency and indemnity compensation enters into an agreement with another person under which agreement such other person acquires for consideration the right to receive such benefit by payment of such compensation, pension, or dependency and indemnity compensation, as the case may be, except as provided in subparagraph (B), and including deposit into a joint account from which such other person may make withdrawals, or otherwise, such agreement shall be deemed to be an assignment and is prohibited.

“(B) Notwithstanding subparagraph (A), nothing in this paragraph is intended to prohibit a loan involving a beneficiary under the terms of which the beneficiary may use the benefit to repay such other person as long as each of the periodic payments made to repay such other person is separately and voluntarily executed by the beneficiary or is made by preauthorized electronic funds transfer pursuant to the Electronic Funds Transfers Act (15 U.S.C. 1693 et seq.).

“(C) Any agreement or arrangement for collateral for security for an agreement that is prohibited under subparagraph (A) is also prohibited and is void from its inception.”.

#### **SEC. 703. SIX-YEAR EXTENSION OF ADVISORY COMMITTEE ON MINORITY VETERANS.**

Section 544(e) is amended by striking “December 31, 2003” and inserting “December 31, 2009”.

**SEC. 704. TEMPORARY AUTHORITY FOR PERFORMANCE OF MEDICAL DISABILITIES EXAMINATIONS BY CONTRACT PHYSICIANS.**

(a) **AUTHORITY.**—Using appropriated funds, other than funds available for compensation and pension, the Secretary of Veterans Affairs may provide for the conduct of examinations with respect to the medical disabilities of applicants for benefits under laws administered by the Secretary by persons other than Department of Veterans Affairs employees. The authority under this section is in addition to the authority provided in section 504(b) of the Veterans' Benefits Improvement Act of 1996 (Public Law 104-275; 38 U.S.C. 5101 note).

(b) **PERFORMANCE BY CONTRACT.**—Examinations under the authority provided in subsection (a) shall be conducted pursuant to contracts entered into and administered by the Under Secretary for Benefits.

(c) **EXPIRATION.**—The authority in subsection (a) shall expire on December 31, 2009. No examination may be carried out under the authority provided in that subsection after that date.

(d) **REPORT.**—Not later than four years after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the use of the authority provided in subsection (a). The Secretary shall include in the report an assessment of the effect of examinations under that authority on the cost, timeliness, and thoroughness of examinations with respect to the medical disabilities of applicants for benefits under laws administered by the Secretary.

**SEC. 705. FORFEITURE OF BENEFITS FOR SUBVERSIVE ACTIVITIES.**

(a) **ADDITION OF CERTAIN OFFENSES.**—Paragraph (2) of section 6105(b) is amended—

(1) by inserting "175, 229," after "sections"; and

(2) by inserting "831, 1091, 2332a, 2332b," after "798,".

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to claims filed after the date of the enactment of this Act.

**SEC. 706. TWO-YEAR EXTENSION OF ROUND-DOWN REQUIREMENT FOR COMPENSATION COST-OF-LIVING ADJUSTMENTS.**

Sections 1104(a) and 1303(a) are each amended by striking "2011" and inserting "2013".

**SEC. 707. CODIFICATION OF REQUIREMENT FOR EXPEDITIOUS TREATMENT OF CASES ON REMAND.**

(a) **CASES REMANDED BY BOARD OF VETERANS' APPEALS.**—(1) Chapter 51 is amended by adding at the end of subchapter I the following new section:

**"§5109B. Expedited treatment of remanded claims**

"The Secretary shall take such actions as may be necessary to provide for the expeditious treatment by the appropriate regional office of the Veterans Benefits Administration of any claim that is remanded to a regional office of the Veterans Benefits Administration by the Board of Veterans' Appeals."

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5109A the following new item:

"5109B. Expedited treatment of remanded claims."

(b) **CASES REMANDED BY COURT OF APPEALS FOR VETERANS CLAIMS.**—(1) Chapter 71 is amended by adding at the end the following new section:

**"§7112. Expedited treatment of remanded claims**

"The Secretary shall take such actions as may be necessary to provide for the expeditious treatment by the Board of any claim that is remanded to the Secretary by the Court of Appeals for Veterans Claims."

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"7112. Expedited treatment of remanded claims."

(c) **REPEAL OF SOURCE SECTION.**—Section 302 of the Veterans' Benefits Improvement Act of 1994 (Public Law 103-446; 108 Stat. 4658; 38 U.S.C. 5101 note) is repealed.

**SEC. 708. TECHNICAL AND CLERICAL AMENDMENTS.**

(a) **MISCELLANEOUS AMENDMENTS.**—(1) Section 103(d) is amended—

(A) in paragraph (4)—

(i) in the matter preceding subparagraph (A), by striking "this subsection" and inserting "paragraph (2)(A) or (3)"; and

(ii) in subparagraph (A), by striking "paragraph (2)" and inserting "paragraph (2)(A)"; and

(B) in paragraph (5), by striking "Paragraphs (2)" and inserting "Paragraphs (2)(A)".

(2) Section 1729A is amended—

(A) in subsection (b), by striking "after June 30, 1997," in the matter preceding paragraph (1);

(B) in subsection (c), by striking paragraph (3);

(C) by striking subsection (e); and

(D) by redesignating subsection (f) as subsection (e).

(3) Section 1804(c)(2) is amended by striking "subsection" and inserting "section".

(4) Section 1974(a)(5) is amended by striking "Secretary of Transportation" and inserting "Secretary of Homeland Security".

(b) **AMENDMENTS RELATING TO THE JOBS FOR VETERANS ACT.**—(1)(A) Subsection (c)(2)(B)(ii) of section 4102A is amended by striking "October 1, 2002" and inserting "October 1, 2003".

(B) The amendment made by subparagraph (A) shall take effect as if included in the enactment of section 4(a) of the Jobs for Veterans Act (Public Law 107-288; 116 Stat. 2038).

(2) Subsection (f)(1) of section 4102A is amended by striking "6 months after the date of the enactment of this section," and inserting "May 7, 2003,".

(c) **AMENDMENTS RELATING TO THE ESTABLISHMENT OF SOCIAL SECURITY ADMINISTRATION AS AN INDEPENDENT AGENCY.**—(1) Section 1322 is amended—

(A) in subsection (a), by striking "Secretary of Health and Human Services" and all that follows through the period and inserting "Commissioner of Social Security, and shall be certified by the Commissioner to the Secretary upon request of the Secretary."; and

(B) in subsection (b)—

(i) by striking "Secretary of Health and Human Services" in the first sentence and inserting "Commissioner of Social Security";

(ii) by striking "the two Secretaries" and inserting "the Secretary and the Commissioner"; and

(iii) by striking "Secretary of Health and Human Services" in the second sentence and inserting "Commissioner".

(2) Section 5101(a) is amended by striking "Secretary of Health and Human Services" and inserting "Commissioner of Social Security".

(3) Section 5317 is amended by striking "Secretary of Health and Human Services" in subsections (a), (b), and (g) and inserting "Commissioner of Social Security".

(4)(A) Section 5318 is amended—

(i) in subsection (a), by striking "Department of Health and Human Services" and inserting "Social Security Administration"; and

(ii) in subsection (b)—

(I) by striking "Department of Health and Human Services" and inserting "Social Security Administration";

(II) by striking "Secretary of Health and Human Services" the first place it appears and inserting "Commissioner of Social Security";

(III) by striking "Secretary of Health and Human Services" the second place it appears and inserting "Commissioner"; and

(IV) by striking "such Secretaries" and inserting "the Secretary and the Commissioner".

(B)(i) The heading of such section is amended to read as follows:

**"§5318. Review of Social Security Administration death information".**

(ii) The item relating to that section in the table of sections at the beginning at chapter 53 is amended to read as follows:

"5318. Review of Social Security Administration death information."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Maine (Mr. MICHAUD) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Senate amendment to H.R. 2297 reflects an agreement with the other body on comparable House and Senate bills. The Veterans Benefits Act of 2003 includes almost all of the provisions that were contained in the bill when the House originally considered it, as well as several other worthwhile provisions contained in S. 1136, which the Senate passed on October 31.

Mr. Speaker, the Chairman of our Subcommittee on Benefits, the distinguished gentleman from South Carolina, will describe several of those important provisions, some seven titles in all, approximately 40 provisions, and I will yield to him in just a moment to do so. But let me briefly touch on the benefits this bill contains and who will be affected by it.

Mr. Speaker, many surviving spouses of veterans who die of a service-related cause will qualify for restoration of benefits taken away when they remarry. Former prisoners of war will find it easier to qualify for veterans benefits that they so richly deserve. Disabled veterans who own businesses will find it easier to sell their goods and services to the Federal Government. The surviving children of those killed in the line of duty will now receive a college-assisted payment that is 13 percent higher than the current benefit. Reservists who want to use the VA home loan program will now be charged a lower fee.

Mr. Speaker, following on the heels of our historic enactment of legislation to provide concurrent receipt benefits to over 250,000 severely disabled military retirees, this bill is a further testament to Congress' commitment to aiding those who serve our country in the Armed Forces. There are many other important provisions in this measure, and I do urge my colleagues to review them. And, again, my good friend and colleague, as well as the ranking member, will be going into further detail.

I would especially like to congratulate the Chair and Ranking Member of our Subcommittee on Benefits, the gentleman from South Carolina (Mr. BROWN) and the gentleman from Maine (Mr. MICHAUD) for holding hearings this year on a variety of important issues affecting veterans. I am pleased that

their efforts on the subcommittee pulled together in truly bipartisan fashion all of these disparate elements into this omnibus bill to advance the needs of our veterans.

And, again, I always like to thank, because we work hand in glove, my good friend and colleague, the gentleman from Illinois (Mr. EVANS), for his work on this legislation as well.

Mr. Speaker, I reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of H.R. 2297, as amended, the Veterans Benefits Act of 2003. I would like to thank the chairman, the gentleman from New Jersey (Mr. SMITH) and the ranking member, the gentleman from Illinois (Mr. EVANS), for their leadership on the full committee and their successful negotiations with the Senate. I also would like to personally thank my good friend, the chairman of the subcommittee, the gentleman from South Carolina (Mr. BROWN), for his leadership and bipartisan spirit shown in considering these bills assigned to our subcommittee. It definitely has been a pleasure working with Chairman BROWN and his staff.

The Veterans Benefits Act of 2003 includes provisions drawn from many bills introduced by Members of both sides of the aisle. Our Nation's servicemembers and veterans have earned and their families deserve all the benefits provided under H.R. 2297 and, indeed, they certainly deserve much, much more.

Mr. Speaker, I am proud to be a sponsor and cosponsor of many of these measures that have been incorporated in H.R. 2297, including provisions aimed to make the home loan benefit for members of the Guard and Reserves permanent, to improve veterans education benefits, enhance self-employment opportunities, and expand employment counseling and job search assistance for servicemembers returning to civilian life after separating from military installations overseas.

H.R. 2297 provides for more equitable and rational treatment for surviving spouses and Filipino World War II veterans, of which I also fully support. It allows former prisoners of war to qualify for certain presumption of service connection and adds sclerosis of the liver to the diseases considered presumptively disabling for POWs. The Gold Star wives will benefit from our efforts to allow them to remarry after age 57 without losing the dependency and indemnity compensation, educational, and home loan benefits that they currently receive. This measure is long overdue and represents substantial progress.

I also support provisions brought forth by the other body which will increase education benefits for the spouses, surviving spouses, and dependent children for totally and permanently disabled and deceased servicemembers.

Mr. Speaker, the provisions in this package will benefit servicemembers and veterans from my State of Maine as well as their families. It will help others all around the country as well. I fully support H.R. 2297, as amended, and urge my colleagues to do the same.

Mr. Speaker, I rise today in strong support of H.R. 2297, as amended, the Veterans Benefits Package of 2003.

I would like to thank Chairman SMITH and Ranking Member LANE EVANS for their leadership on the full committee and their successful negotiations with the Senate.

I would also like to personally thank Chairman BROWN and his staff for the cooperative manner shown in introducing and considering bills assigned to our subcommittee. It has been a pleasure working with him and his staff.

As is the custom of the House Committee on Veterans Affairs, a large number of bills considered by the Subcommittee on Benefits have been included in the Veterans Benefits Act of 2003.

I am pleased that H.R. 2294 which I introduced to extend the Veterans' Advisory Committee on Education is included as section 307 of H.R. 2297, as amended. The Veterans Advisory Committee provides useful information to the Congress and should be continued.

I am also pleased that H.R. 3239 which I introduced to extend the Veterans' Advisory Committee on Minority Veterans is included as section 703 of H.R. 2297, as amended. This committee brings to the attention of the Congress specific issues of concern to African-American, Native American, Hispanic American, and Asian-Pacific Island American veterans. I know that the Native American veterans of Maine, as well as all minority veterans, will continue to benefit from the counsel and advice provided by this committee.

I am original cosponsor of H.R. 761 introduced by our ranking Democratic member of the full committee, LANE EVANS, to permit seriously disabled servicemembers to apply for grants to adapt their homes before being discharged from military service. This provision included as section 401 will enable seriously disabled servicemembers to begin the process of obtaining suitable housing while on active duty.

I joined our Ranking Democratic Member LANE EVANS in introducing H.R. 1257 to make the home loan program of the Department of Veterans Affairs for members of the Select Reserve a permanent program. This provision is included as section 403 of H.R. 2297, as amended. That bill also provided for an equalization of the fees paid by reservists and active duty veterans. Although the fees were not equalized in the final bill, I note that the rates have been reduced to a nominal amount of 0.25 percent above that charged to active duty servicemembers and veterans. As we know, reservists are an integral part of this Nation's total force. Making their home loan benefits permanent and reducing the fees they must pay acknowledges their service in a tangible way.

I am an original cosponsor of H.R. 1460 introduced by Mr. RENZI to provide additional opportunities for service-disabled veterans to contract with the Federal Government. Unfortunately, the record of contracts awarded to service-disabled veterans by Federal agencies is dismal and getting worse. Provisions from

H.R. 1460 are included in section 308 of H.R. 2297, as amended. I hope that Federal agencies will take seriously their responsibility to contract with small businesses owned or controlled by service-disabled veterans. Under the provision, the committees expect that the Small Business Administration will accept the determinations of the Secretary of Veterans Affairs with respect to the definition of service-connection.

I joined my good friend and neighbor Mr. BRADLEY in introducing H.R. 2164 to provide an extension in the period of eligibility for educational benefits provided to certain children of disabled and deceased veterans, when those children are called to full time duty in the National Guard. This provision is included in section 303 of H.R. 2297, as amended.

I am an original cosponsor of H.R. 2285 introduced by Mr. SIMPSON to require the Secretary of Labor to provide staffing at overseas locations to servicemembers who are separating from active duty. This provision is included as section 309 of H.R. 2297, as amended. It is unfortunate that the Secretary of Labor has not followed the lead of the Secretary of Veterans Affairs in making these services available at overseas locations. This bill will require the Secretary of Labor to do so.

I joined our chairman on the full committee, CHRIS SMITH, our ranking Democratic member on the full committee. LANE EVANS and our subcommittee chairman, HENRY BROWN, in introducing H.R. 2297 which provided the basis for this larger bill. I appreciate the efforts made by the chairman of the full committee as well as Chairman BROWN to operate in a bipartisan manner.

Although H.R. 3392, introduced by our Democratic Ranking Member LANE EVANS and myself to improve the adjudication of claims for benefits was not considered by the House committee during this session, I note that provisions similar to that bill are included as section 701 of H.R. 2297, as amended.

I am also a cosponsor of many other bills included in H.R. 2297, as amended. As a freshman Member of Congress, I am proud to have been able to introduce and cosponsor legislation which will improve the lives of our Nation's veterans.

The House Committee on Veterans Affairs has a reputation of serving veterans in a bipartisan manner. This bill reflects that spirit of cooperation.

Our Nation's servicemembers and veterans have earned—and their families deserve—all the benefits provided under H.R. 2297, as amended.

Indeed, they deserve so much more.

Mr. Speaker, the provisions in this package will benefit servicemembers and veterans from my State of Maine as well as their families. It will help others around the country as well.

I fully support H.R. 2297, as amended, and urge my colleagues to do the same.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. BROWN), the distinguished chairman of our Subcommittee on Benefits.

Mr. BROWN of South Carolina. Mr. Speaker, I thank the gentleman for yielding me this time, and I am pleased

we are here today to consider the Veterans Benefits Act of 2003, a bipartisan effort with no less than 37 substantive provisions.

Mr. Speaker, I would like to highlight five of the provisions of this comprehensive bill which provides more than a billion dollars in improved benefits over 10 years.

Section 101 of the bill is long overdue. After years of trying to find the offsets, we are finally able to bring equity to those surviving spouses who lose their Dependency and Indemnity Compensation upon remarrying later in life. Section 101 would allow a surviving spouse who remarries after age 57 to retain DIC, as well as home loan and educational benefits. The gentleman from Florida (Mr. BILIRAKIS) has championed this cause for almost 15 years now, and I appreciate his dedication.

Small business is the bedrock of our economy. Section 301 of the bill would expand the Montgomery GI bill while authorizing educational assistance benefits for on-the-job training of less than 6 months in various types of self-employment training programs. Similarly, section 305 would allow, for the first time, servicemembers, veterans and certain dependents to enroll in entrepreneurship and pre-entrepreneurship courses offered by the Small Business Development Centers and the Veterans Business Development Corporation. I applaud the gentleman from Arizona (Mr. RENZI) for this provision, as well as provisions giving Federal agencies and departments new discretionary contracting authority to assist service-disabled veteran-owned businesses, another first.

Indeed, we, as a Nation, should accord veterans who become disabled in their service to this Nation a full opportunity to participate in the free enterprise system they have fought so hard to defend.

Section 309 would require the Department of Labor to go where its customers are to provide in-person Transitional Assistance Program services overseas, as VA has done since about 1992. I applaud the gentleman from Idaho (Mr. SIMPSON) and the gentleman from Texas (Mr. REYES) for their longstanding work on this provision.

Lastly, section 402 of the bill increases the adapted housing and automobile allowances for disabled servicemembers. I applaud the chairman of the Senate Committee on Veterans' Affairs, Mr. SPECTER, along with the ranking member, Mr. GRAHAM, for their many excellent contributions to this bill. I also applaud the former ranking member of the Senate Committee on Veterans' Affairs, Mr. ROCKEFELLER, for his continued assistance.

In closing, I commend Chairman SMITH, Ranking Member EVANS, and Subcommittee on Benefits' Ranking Member MICHAUD for their leadership and diligent work on this bill, as well as the support they have given to me

my first term as chairman of the Subcommittee on Benefits. I also want to recognize the good folks who make up the committee staff, many of whom put in long hours so we could consider this bill before we adjourned.

I wholeheartedly support H.R. 2297, as amended, and encourage the full House to support it as well.

Mr. MICHAUD. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EVANS), who has fought for veterans for a number of years.

Mr. EVANS. Mr. Speaker, I want to thank the gentleman for yielding me this time and for his fine work on the Subcommittee on Benefits this year.

We have really defined the impact that we have had by working on a bipartisan basis to achieve this. We have worked on a nonpartisan basis with our chairman, and the ranking members of other subcommittees, such as the gentleman from Maine (Mr. MICHAUD) and the gentleman from South Carolina (Mr. BROWN), have worked with the other body in finalizing this legislation, and I think they deserve a strong salute from veterans across the country.

I am very proud to be an original cosponsor of many of the provisions contained in this act. I am especially pleased for children of veterans who were exposed to herbicides in Korea, and who now are suffering from spina bifida, like a lot of the kids that were exposed in the Vietnam War. We must realize we have an obligation to those children and their families, and I think we have started down that road as well.

The bill recognizes the contributions made by the Guard and Reserve in making their home loan program permanent and reducing the funding fees that they are charged. I am most pleased we are providing long-term benefits to our Gold Star wives of the Filipino Veterans. This bill also includes important veterans education benefits and extends business opportunities for veterans.

H.R. 2297 is a good bill, and I urge all my colleagues to show their support for our troops and Veterans by voting for it.

Mr. MICHAUD. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the gentleman for yielding me this time, and we are, of course, supporting H.R. 2297, a bill that incorporates many provisions that have been discussed at the House Committee on Veterans' Affairs and in the Senate Committee on Veterans' Affairs, and it includes provisions that upgrade benefits in many, many areas.

I would suspect, Mr. Chairman, that if this bill was taken one by one in terms of the provisions in there and the health bill that we hope will follow sometime later today, veterans across the Nation would understand that we are really keeping our promise to our Nation's veterans in both our benefits and our health provisions.

I would say to the chairman of the full committee, the gentleman from New Jersey (Mr. SMITH) and to the ranking member, the gentleman from Illinois (Mr. EVANS), the combination of the benefit and the health bill probably represents one of the most productive years in the history of this Congress in terms of veterans' benefits and veterans' health care. So I thank the chairman, and I thank the ranking member for bringing all these provisions together and working so hard and allowing Members from both sides of the aisle to contribute. There are provisions in these bills that represent both Democratic and Republican contributions, and I think that is the way we ought to behave here, and that is what this bill represents.

I just want to add a few comments to what has been stated previously. Two provisions which I helped to write are in the bill. The first involves a cause for which I have been fighting ever since I became a Member of Congress, and it is exceptionally gratifying to see progress on an important issue, and that is restoring the rightful benefits to Filipino World War II veterans.

Many of us know that after being drafted into service by President Franklin Delano Roosevelt, after bravely fighting alongside soldiers from the U.S. mainland, many Filipino veterans were deprived of their promised benefits by the Congress of 1946. In the intervening years, many of these veterans have emigrated to the United States and have become American citizens. This bill will increase the compensation received by one part of the Filipino Armed Forces, and that is the new Filipino Scouts.

They had been given what is called the "peso rate" in their disability compensation. That is one-half of what an American soldier would get. And they have been receiving that peso rate since the end of the war, whether they have lived in the United States or in the Philippines. For these that live in the United States, their cost of living is equal to the veterans here, and paying half is just simply not acceptable. Upon the passage of this bill, the widows of the Filipino World War II veterans will also receive the full amount of their DIC benefits, and burial benefits for the new Scouts will also be restored. So this is justice restored after almost 60 years of being denied.

There is another provision which I am pleased to see in this bill, and that involves life insurance policies. The VA currently holds about 4,000 insurance policies, valued at about \$23 million, on which payment has not been made because the VA has not been able to locate the identified beneficiary.

What will happen after this bill passes is that the VA can pay secondary benefits if we cannot locate the primary beneficiary. And if no beneficiary files within 4 years, the VA secretary may pay another appropriate relative. It is a shame to have Veterans paying for life insurance throughout

their lifetimes only to have their insurance unclaimed. So this will benefit the families of many of our veterans in this country.

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Mr. Speaker, these are just two portions of the bill. There are many, many provisions which have been described by my colleagues. Again, I think it is a great advance for veterans to be able to receive the benefits that are in H.R. 2297, so I urge Members to support this bill.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman from California (Mr. FILLNER) for his kind remarks and also point out that he has been indefatigable in fighting for the Filipino veterans, and thank the gentleman for his hard work, which has been incorporated in this bill.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I rise today to offer my support for H.R. 2297, the legislation that the Committee on Veterans' Affairs has worked so hard to pass this year. I want to commend the gentleman from New Jersey (Chairman SMITH); the ranking member, the gentleman from Illinois (Mr. EVANS); and the gentleman from South Carolina (Mr. BROWN) for their steadfast leadership on veterans issues.

I also want to recognize the efforts of the gentleman from Arizona (Mr. RENZI) in drafting the Veterans Entrepreneurship Act of 2003, which is included in this legislation. Obviously, this bill will increase the opportunity afforded to veterans who spent their youth serving our country. Federal agencies will have the discretionary authority to sole source contracts for disabled veteran-owned businesses. Additionally, disabled veterans enrolled in school under a VA vocational rehab program will be allowed to declare self-employment as a vocational goal. Certainly this encourages entrepreneurship and business ownership. It clearly establishes a level playing field for those who have been wounded or injured while defending our freedom.

Very important to a lot of widows back home is that it addresses an injustice which has been suffered by military widows whose spouses died while on active duty or of a service-connected condition. They will no longer be denied the benefits earned by their first husband if they choose to remarry later in life. A military spouse already faces a life of sacrifice and hardship and should not be stripped of earned benefits because of a new-found love and companionship. We should not as a government be discouraging people to get married, and this bill corrects that injustice.

In a time of war, it is critically important that our servicemen and

-women see that when they return home they will be welcomed by an eternally grateful Nation. This bill helps to express the gratitude that Congress has for our veterans of wars past and present.

Mr. MICHAUD. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. STRICKLAND), who has fought for veterans issues for a number of years.

Mr. STRICKLAND. Mr. Speaker, I thank the gentleman for yielding me this time, and I thank him for his work on this legislation that offers important benefits to very deserving veterans and their families.

There are many excellent provisions in this bill, and we should all support these provisions, including benefits to POWs and Filipino veterans. I would particularly like to thank the gentleman from Illinois (Mr. EVANS) and his staff and the staff of the Committee on Veterans' Affairs for their work in putting an end to lending schemes that target our Nation's veterans.

Recently, I introduced legislation on making this type of predatory lending illegal, and I am happy to have this language incorporated into this legislation. Predatory lenders are preying on veterans by manipulating them into surrendering their veterans benefits for lump sums, lump sums that these lenders then charge interest rates on ranging from 39 to 106 percent. It is embarrassing that companies would prey on our Nation's veterans and seize the benefits that these veterans have earned through their service to our country. I am grateful that these provisions have been included in this legislation which make it clear that such practices are illegal and that predatory lenders who trick our veterans into surrendering their VA benefits will be in violation of the law.

Again, I would like to thank the gentleman from New Jersey (Mr. SMITH), the chairman of the full committee, and the gentleman from Illinois (Mr. EVANS), our ranking member, for their work; and I would especially like to thank the staffs on both the Republican and Democratic sides who worked so closely together to do those things which can make life better for our veterans.

Mr. SMITH of New Jersey. Mr. Speaker, I reserve the balance of my time.

Mr. MICHAUD. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in closing, I would like to once again thank the gentleman from New Jersey (Mr. SMITH) and the ranking member, the gentleman from Illinois (Mr. EVANS), for all their work, as well as the chairman of the Subcommittee on Benefits, the gentleman from South Carolina (Mr. BROWN). I think our servicemen, our veterans in this country, can be very proud of the way the Committee on Veterans' Affairs has handled itself this year in a bipartisan manner, looking out for veterans in this country for all the work that they do as well.

I would also like to thank staff on both the Republican and Democratic side for working together in a bipartisan way. The only way we are ever going to move forward and get veterans issues addressed in Congress is by working together in a bipartisan manner. I wish actually some other committees here in Congress would look at the way the Committee on Veterans' Affairs operates and act as bipartisanship.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank our colleagues on the other side of the aisle, all of the staff who have worked for days, weeks and months on this legislation through the hearing process. There are seven titles and close to 40 provisions in this bill. It is a very comprehensive omnibus bill, and so many Members made a difference in its content.

I would like to say we break a lot of new ground in this legislation, including the legislation dealing with veterans' businesses so that set-asides, sole source procurements, and the benefits accruing thereon will go to veterans themselves. In the past, veterans have gotten so little of the Federal procurement dollars—only 0.13 of 1 percent—which is unconscionable. This legislation now gives discretionary authority government-wide so we can again facilitate these important businesses.

Let me also point out that provision, just like the whole bill which is backed by virtually every veteran service organization in the country—that particular provision—on veterans' businesses has 36 military and veterans organizations backing it from a broad spectrum. From the largest Hispanic organization to the Black Veterans for Social Justice, we have a good cross-spectrum of people backing this provision because our veterans who have served so ably and are disabled are absolutely deserving of this legislation.

I thank the gentleman from Arizona (Mr. RENZI) for his leadership on this particular provision. He actually introduced the bill which is incorporated here in our final product. Mr. RENZI has been a champion of veterans benefits, and I thank him.

Mr. Speaker, I also thank Senator ROCKEFELLER, who was instrumental in encouraging a strong text for this provision. I also thank our counterparts in the Senate, Senator GRAHAM and the chairman of the Committee on Veterans' Affairs, Senator SPECTER, for their work on this legislation and their spirit of cooperation.

Mr. Speaker, I include for the RECORD a joint explanatory statement describing all of the provisions including the compromise agreement that we have reached with the other body.

EXPLANATORY STATEMENT ON SENATE AMENDMENT TO HOUSE BILL, H.R. 2297, AS AMENDED

H.R. 2297, as amended, the Veterans Benefits Act of 2003, reflects a Compromise Agreement reached by the House and Senate Committees on Veterans' Affairs ("the Committees") on the following bills considered in the House and Senate during the 108th Congress: H.R. 1257; H.R. 1460, as amended; H.R. 2297, as amended ("House Bill"); and S. 1132, as amended ("Senate Bill"). H.R. 1257 passed the House on May 22, 2003; H.R. 1460, as amended, passed the House on June 24, 2003; H.R. 2297, as amended, passed the House on October 8, 2003; S. 1132, as amended, passed the Senate on October 31, 2003.

The House and Senate Committees on Veterans' Affairs have prepared the following explanation of H.R. 2297, as amended ("Compromise Agreement"). Differences between the provisions contained in the Compromise Agreement and the related provisions of H.R. 1257, H.R. 1460, as amended, H.R. 2297, as amended, and S. 1132, as amended, are noted in this document, except for clerical corrections, conforming changes made necessary by the Compromise Agreement, and minor drafting, technical, and clarifying changes.

#### TITLE I: SURVIVOR BENEFITS

##### RETENTION OF CERTAIN VETERANS SURVIVOR BENEFITS FOR SURVIVING SPOUSES REMARRYING AFTER AGE 57

###### Current Law

Section 103(d) of title 38, United States Code, prohibits a surviving spouse who has remarried from receiving dependency and indemnity compensation ("DIC") and related housing and education benefits during the course of the remarriage. This benefit may be reinstated in the event the subsequent marriage is terminated. Public Law 107-330 extended to surviving spouses who remarry after age 55 continuing eligibility under the Civilian Health and Medical Program of the Department of Veterans Affairs ("CHAMPVA").

###### House Bill

Section 6 of H.R. 2297, as amended, would allow a surviving spouse who remarries after attaining age 55 to retain the DIC benefit. Spouses who remarry at age 55 or older prior to enactment of the bill would have one year from the date of enactment to apply for reinstatement of DIC benefits. The amount of DIC would be paid with no reduction of certain other Federal benefits to which the surviving spouse might be entitled.

###### Senate Bill

The Senate Bill contains no comparable provision.

###### Compromise Agreement

Section 101 of the Compromise Agreement would provide that a surviving spouse upon remarriage after attaining age 57 would retain DIC, home loan, and educational benefits eligibility. Surviving spouses who remarried after attaining age 57 prior to enactment of the Compromise Agreement would have one year to apply for reinstatement of these benefits.

##### BENEFITS FOR CHILDREN WITH SPINA BIFIDA OF VETERANS OF CERTAIN SERVICE IN KOREA

###### Current Law

Chapter 18 of title 38, United States Code, authorizes the Department of Veterans Affairs ("VA") to provide benefits and services to those children born with spina bifida whose natural parent (before the child was conceived) served in the Republic of Vietnam between January 9, 1962 and May 7, 1975. Benefits and services are authorized due to the association between exposure to dioxin and the incidence of spina bifida in the children

of those exposed. Children born with spina bifida whose parent was exposed to dioxin and other herbicides during military service in locations other than the Republic of Vietnam do not qualify for VA benefits and services.

###### House Bill

Section 12 of H.R. 2297, as amended, would permit children born with spina bifida whose parent (before the child was conceived) served in an area of Korea near the demilitarized zone ("DMZ") between October 1, 1967 and May 7, 1975, to qualify for benefits in the same manner as children whose parent served in the Republic of Vietnam.

###### Senate Bill

Section 101 of S. 1132, as amended, would permit children with spina bifida whose parent (before the child was conceived) served in or near the DMZ in Korea during the period beginning on January 1, 1967, and ending on December 31, 1969, to qualify for benefits in the same manner as children whose parent served in the Republic of Vietnam. The Senate Bill would require the Secretary of Veterans Affairs to make determinations of exposure to herbicides in Korea in consultation with the Secretary of Defense.

###### Compromise Agreement

Section 102 of the Compromise Agreement would generally follow the Senate language. However, under the Compromise Agreement, the time period for qualifying service in or near the DMZ is changed to service which occurred during the period beginning on September 1, 1967, and ending on August 31, 1971. The Committees note that although use of herbicides in Vietnam ceased in 1971, Vietnam-era veterans who served until May 7, 1975, are presumed to have been exposed to residuals. Similarly, even though herbicide use in or near the Korean DMZ ended in 1969, the Committees believe it is appropriate to extend the qualifying service period beyond 1969 to account for residual exposure.

The Committees also note that the Secretary of Defense has identified the following units as those assigned or rotated to areas near the DMZ where herbicides were used between 1968 and 1969: combat brigades of the 2nd Infantry Division (1-38 Infantry, 2-38 Infantry, 1-23 Infantry, 2-23 Infantry, 3-23 Infantry, 3-32 Infantry, 1-9 Infantry, 2-9 Infantry, 1-72 Armor, and 2-72 Armor); Division Reaction Force (4-7th Cavalry, Counter Agent Company); 3rd Brigade of the 7th Infantry Division (1-17th Infantry, 2-17 Infantry, 1-73 Armor and 2-10th Cavalry); and Field Artillery, Signal and Engineer support personnel.

##### ALTERNATE BENEFICIARIES FOR NATIONAL SERVICE LIFE INSURANCE AND UNITED STATES GOVERNMENT LIFE INSURANCE

###### Current Law

Section 1917 of title 38, United States Code, gives veterans insured under the VA's National Service Life Insurance ("NSLI") program the right to designate the beneficiary or beneficiaries of insurance policies maturing on or after August 1, 1946. It also specifies the modes of payment to beneficiaries when an insured dies, and sets forth the procedure to be followed when a beneficiary has not been designated or dies before the insured.

Section 1949 of title 38, United States Code, gives veterans insured under the United States Government Life Insurance ("USGLI") program the right to change beneficiaries, and sections 1950 through 1952 of title 38 set out the modes of payment to designated beneficiaries and sets forth the procedure to be followed when a beneficiary either has not been designated or dies before the insured.

For the NSLI and USGLI programs, the law does not specify the course of action VA is to take when no beneficiary can be found.

###### House Bill

The House Bill contains no comparable provision.

###### Senate Bill

Section 102 of S. 1132, as amended, would authorize the payment of NSLI and USGLI to alternate beneficiaries, in order of precedence and as designated by the insured veteran, if no claim is made by the primary beneficiary within two years of the insured veteran's death. If four years have elapsed since the death of the insured and no claim has been filed by a person designated by the insured as a beneficiary, section 102 would authorize VA to make payment to a person VA determines to be equitably entitled to such payment.

###### Compromise Agreement

Section 103 of the Compromise Agreement follows the Senate language.

##### PAYMENT OF BENEFITS ACCRUED AND UNPAID AT TIME OF DEATH

###### Current Law

Section 5121 of title 38, United States Code, restricts specified classes of survivors to receiving no more than two years of accrued benefits if a veteran dies while a claim for VA periodic monetary benefits (other than insurance and servicemen's indemnity) is being adjudicated. Public Law 104-275 extended the retroactive payment from one year to two years.

###### House Bill

Section 6 of H.R. 1460, as amended, would repeal the two-year limitation on accrued benefits so that a veteran's survivor may receive the full amount of award for accrued benefits.

###### Senate Bill

Section 105 of S. 1132, as amended, contains an identical provision.

###### Compromise Agreement

Section 104 of the Compromise Agreement contains this provision.

##### TITLE II: BENEFITS FOR FORMER PRISONERS OF WAR AND FOR FILIPINO VETERANS

###### Subtitle A—Former Prisoners of War

##### PRESUMPTIONS OF SERVICE-CONNECTION RELATING TO DISEASES AND DISABILITIES OF FORMER PRISONERS OF WAR

###### Current Law

Section 1112(b) of title 38, United States Code, specifies a list of 15 disabilities that VA presumes are related to military service for former prisoners of war ("POWs") who were held captive for not less than 30 days. If a former POW was interned for less than 30 days, he or she must establish that the disability was incurred or aggravated during military service in order for service connection to be granted.

The list in section 1112(b) of title 38, United States Code, does not include cirrhosis of the liver; however, on July 18, 2003, VA published a regulation adding cirrhosis of the liver to the list of conditions presumptively service-connected for former POWs. (68 Fed. Reg. 42,602).

###### House Bill

Section 11 of H.R. 2297, as amended, would eliminate the 30-day requirement for psychosis, any anxiety states, dysthymic disorders, organic residuals of frostbite and post-traumatic arthritis. Section 11 would also codify cirrhosis of the liver as a disability which is presumptively service-connected for a former POW who was interned for at least 30 days.

*Senate Bill*

Section 302 of S. 1132, as amended, contains an identical provision.

*Compromise Agreement*

Section 201 of the Compromise Agreement contains this provision.

## Subtitle B—Filipino Veterans

RATE OF PAYMENT OF BENEFITS FOR CERTAIN FILIPINO VETERANS AND THEIR SURVIVORS RESIDING IN THE UNITED STATES

*Current Law*

Section 107(a) of title 38, United States Code, generally provides that service before July 1, 1946, in the organized military forces of the Government of the Commonwealth of the Philippines, including organized guerilla units ("Commonwealth Army veterans"), may in some circumstances be a basis for entitlement to disability compensation, dependency and indemnity compensation, monetary burial benefits, and certain other benefits under title 38, United States Code, and that payment of such benefits will be at the rate of \$0.50 for each dollar authorized. Section 107(b) of title 38, United States Code, generally provides that service in the Philippine Scouts under section 14 of the Armed Forces Voluntary Recruitment Act of 1945 (i.e., service in the "new Philippine Scouts"), may be a basis for entitlement to disability compensation, DIC, and certain other benefits under title 38, United States Code, but payment of such benefits will be at the rate of \$0.50 for each dollar authorized.

*House Bill*

Section 16 of H.R. 2297, as amended, would provide the full amount of compensation and DIC to eligible members of the new Philippine Scouts, as well as the full amount of DIC paid by reason of service in the organized military forces of the Commonwealth of the Philippines, including organized guerilla units, if the individual to whom the benefit is payable resides in the United States and is either a citizen of the U.S. or an alien lawfully admitted for permanent residence.

*Senate Bill*

Section 321 of S. 1132, as amended, contains an identical provision.

*Compromise Agreement*

Section 211 of the Compromise Agreement contains this provision.

BURIAL BENEFITS FOR NEW PHILIPPINE SCOUTS RESIDING IN THE UNITED STATES

*Current Law*

Section 107 of title 38, United States Code, provides that persons who served in the organized military forces of the Government of the Commonwealth of the Philippines, including organized guerilla units ("Commonwealth Army veterans"), who lawfully reside in the United States are eligible for burial in a VA national cemetery and VA monetary burial benefits at the full-dollar rate if, at the time of death, they are receiving VA disability compensation or would have been receiving VA pension but for their lack of qualifying service.

*House Bill*

Section 17 of H.R. 2297, as amended, would extend eligibility for burial in a national cemetery to new Philippine Scouts, as well as eligibility for VA burial benefits, to those who lawfully reside in the United States.

*Senate Bill*

Section 322 of S. 1132, as amended, contains an identical provision.

*Compromise Agreement*

Section 212 of the Compromise Agreement contains this provision.

EXTENSION OF AUTHORITY TO MAINTAIN REGIONAL OFFICE IN THE REPUBLIC OF THE PHILIPPINES

*Current Law*

Section 315(b) of title 38, United States Code, authorizes the Secretary of Veterans Affairs to operate a regional office in the Republic of the Philippines until December 31, 2003. Congress last extended this authority in Public Law 106-117.

*House Bill*

Section 18 of H.R. 2297, as amended, would extend the Secretary's authority to operate a regional office in the Republic of the Philippines through December 31, 2009.

*Senate Bill*

Section 323 of S. 1132, as amended, would extend the Secretary's authority to operate a regional office in the Republic of the Philippines through December 31, 2008.

*Compromise Agreement*

Section 213 of the Compromise Agreement follows the House language.

## TITLE III: EDUCATION BENEFITS, EMPLOYMENT PROVISIONS, AND RELATED MATTERS

EXPANSION OF MONTGOMERY GI BILL EDUCATION BENEFITS FOR CERTAIN SELF-EMPLOYMENT TRAINING

*Current Law*

Section 3452(e) of title 38, United States Code, furnishes various legal definitions used in the administration of VA's educational assistance programs. Self-employment training is not included among the current definitions.

*House Bill*

Section 2 of H.R. 2297, as amended, would expand the Montgomery GI Bill program by authorizing educational assistance benefits for on-job training of less than six months in certain self-employment training programs, to include: (1) an establishment providing apprentice or other on-job training, including programs under the supervision of a college or university or any State department of education; (2) an establishment providing self-employment training consisting of full-time training for less than six months that is needed for obtaining licensure to engage in a self-employment occupation or required for ownership and operation of a franchise; (3) a State board of vocational education; (4) a Federal or State apprenticeship registration agency; (5) a joint apprenticeship committee established pursuant to the National Apprenticeship Act, title 29, United States Code; or (6) an agency of the Federal Government authorized to supervise such training.

*Senate Bill*

The Senate Bill contains no comparable provision.

*Compromise Agreement*

Section 301 of the Compromise Agreement follows the House language.

INCREASE IN RATES OF SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE

*Current Law*

Chapter 35 of title 38, United States Code, specifies the eligibility criteria, programs of education and training, and payment amounts applicable under VA's Survivors' and Dependents' Educational Assistance ("DEA") benefits program. Generally, those eligible for DEA benefits are the spouses and dependents of: veterans with total and permanent service-connected ratings; veterans who died as a result of service-related injuries; or servicemembers who died while on active duty. Currently, monthly benefit rates for eligible DEA beneficiaries are \$695 for full-time study, \$522 for three-quarter-

time study, and \$347 for half-time study. Monthly DEA benefits are also available for beneficiaries pursuing programs of education on a less-than-half-time basis, through farm cooperative programs, correspondence courses, special restorative training programs, or programs of apprenticeship or other approved on-job training programs.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 104 of S. 1132, as amended, would raise monthly DEA benefits by 13.4 percent over current levels. The new rates would be set at \$788 for full-time study, \$592 for three-quarter time study, and \$394 for half-time study. A 13.4 percent increase would also be made to benefits paid to eligible persons pursuing a program of education on a less than half-time basis, through institutional courses, farm cooperative programs, correspondence courses, special restorative training programs, or programs of apprenticeship or other approved on-job training programs. The increases would take effect on July 1, 2004.

*Compromise Agreement*

Section 302 of the Compromise Agreement follows the Senate language.

RESTORATION OF SURVIVORS' AND DEPENDENTS' EDUCATION BENEFITS OF INDIVIDUALS BEING ORDERED TO FULL-TIME NATIONAL GUARD DUTY

*Current Law*

Section 3512(h) of title 38, United States Code, provides for an extension of Survivors' and Dependents' Educational Assistance only to reservists called to active duty after September 11, 2001, for an amount of time equal to that period of full-time duty, plus 4 months.

*House Bill*

Section 3 of H.R. 2297, as amended, would provide that National Guard members who qualify for survivors' and dependents' education benefits under chapter 35 of title 38, United States Code, and are involuntarily ordered to full-time duty under title 32, United States Code, after September 11, 2001, would have their eligibility extended by an amount of time equal to that period of full-time duty, plus 4 months.

*Senate Bill*

Section 103 of S. 1132, as amended, contains an identical provision.

*Compromise Agreement*

Section 303 of the Compromise Agreement contains this provision.

ROUNDING DOWN OF CERTAIN COST-OF-LIVING ADJUSTMENTS ON EDUCATIONAL ASSISTANCE

*Current Law*

Sections 3015(h) and 3564 of title 38, United States Code, provide for annual cost-of-living adjustments to both the Montgomery GI Bill and Survivors' and Dependents' Educational Assistance programs. Each section specifies that percentage increases be "rounded to the nearest dollar."

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 304 of S. 1132, as amended, would require annual percentage adjustments under sections 3015(h) and 3564 to be rounded down to the nearest dollar. This section would first apply to adjustments made at the start of fiscal year 2005.

*Compromise Agreement*

Section 304 of the Compromise Agreement follows the Senate language. However, the

Compromise Agreement specifies that the changes made by the Senate language shall be effective only through September 30, 2013.

#### AUTHORIZATION FOR STATE APPROVING AGENCIES TO APPROVE CERTAIN ENTREPRENEURSHIP COURSES

##### *Current Law*

Section 3675 of title 38, United States Code, establishes requirements for approval of accredited courses offered by educational institutions. Section 3452 of title 38, United States Code, furnishes various legal definitions used in the administration of VA educational assistance programs. Section 3471 of title 38, United States Code, establishes general requirements which must be met by educational institutions before VA may approve applications for educational assistance from veterans or eligible persons. There is no provision in current law authorizing the approval of entrepreneurship courses.

##### *House Bill*

Section 2 of H.R. 1460, as amended, would allow State approving agencies to approve non-degree, non-credit entrepreneurship courses offered by a Small Business Development Center ("SBDC") or the National Veterans Business Development Corporation for the training of veterans, disabled veterans, dependent spouses and children of certain disabled or deceased veterans, and members of the National Guard and Selected Reserve. VA would also be prohibited from considering a beneficiary as already qualified for the objective of a program of education offered by a qualified provider of an entrepreneurship course solely because he or she is the owner or operator of a small business.

##### *Senate Bill*

The Senate Bill contains no comparable provision.

##### *Compromise Agreement*

Section 305 of the Compromise Agreement follows the House language.

#### REPEAL OF PROVISIONS RELATING TO OBSOLETE EDUCATION LOAN PROGRAM

##### *Current Law*

Subchapter III of chapter 36 of title 38, United States Code, establishes VA's education loan program, states policy regarding eligibility, amount, condition, and interest rates of loans, and establishes a revolving fund and insurance against defaults as part of its administration. This program has been in effect since January 1, 1975.

##### *House Bill*

Section 5 of H.R. 2297, as amended, would, effective on the date of enactment, repeal the VA education loan program and waive any existing repayment obligations of a veteran, including overpayments due to default on these loans.

##### *Senate Bill*

Section 305 of S. 1132, as amended, contains a comparable provision, but terminates the program 90 days after date of enactment.

##### *Compromise Agreement*

Section 306 of the Compromise Agreement follows the Senate language.

#### SIX-YEAR EXTENSION OF VETERANS' ADVISORY COMMITTEE ON EDUCATION

##### *Current Law*

Section 3692 of title 38, United States Code, requires the Secretary of Veterans Affairs to administer a Veterans' Advisory Committee on Education. It requires the Secretary to consult with and seek the advice of the Advisory Committee from time to time with respect to the administration of chapters 30, 32, and 35 of title 38, United States Code, and chapter 1606 of title 10, United States Code. The Advisory Committee's authorization expires on December 31, 2003.

##### *House Bill*

Section 4 of H.R. 2297, as amended, would extend, through December 31, 2009, the Veterans' Advisory Committee on Education, as well as amend the language to eliminate the requirement that veterans from certain periods—World War II, Korean conflict era, or post-Korean conflict era—be required to participate as members of the Advisory Committee.

##### *Senate Bill*

Section 342 of S. 1132, as amended, would extend the Veterans' Advisory Committee on Education through December 31, 2013, and maintain the existing membership requirements, as practicable.

##### *Compromise Agreement*

Section 307 of the Compromise Agreement follows the Senate language with regard to membership, and the House language with regard to extending the Advisory Committee's authorization date through December 31, 2009.

#### PROCUREMENT PROGRAM FOR SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY QUALIFIED SERVICE-DISABLED VETERANS

##### *Current Law*

Sections 631 through 657 of title 15, United States Code, establish policies with respect to aid to small businesses. Section 637 specifies Small Business Administration ("SBA") authorities regarding procurement matters. Section 637(a) specifies SBA authorities with respect to procurement contracts and subcontracts to disadvantaged small business concerns. Section 637(d) establishes policies regarding performance of contracts by small business concerns ("SBC"), as described in title 15, United States Code. Section 637(h) establishes policies regarding award of contracts, procedures other than competitive ones, and exceptions.

##### *House Bill*

Section 3 of H.R. 1460, as amended, would provide Federal agencies discretionary authority to create "sole-source" contracts for service-disabled veteran-owned and controlled small businesses, up to \$5 million for manufacturing contract awards and up to \$3 million for non-manufacturing contract awards.

This section would provide Federal agencies discretionary authority to restrict certain contracts to service-disabled veteran-owned and controlled small businesses if at least two such concerns are qualified to bid on the contract.

Section 3 would establish a contracting priority that places restricted and "sole source" contracts for service-disabled veteran-owned and controlled small businesses immediately below the priority for socially and economically disadvantaged firms (known as "8(a)" program contracts) for all Federal departments and agencies except VA. Such priorities for service-disabled veteran-owned and controlled small businesses would rank above priorities for HUBZone and women-owned businesses. HUBZones are SBCs located in historically underutilized business zones. However, a contracting officer would procure from a source on the basis of a preference provided under any provision of this legislation unless the contracting officer had determined the procurement could be made by a contracting authority having a higher priority. Lastly, procurement could not be made from a source on the basis of preference provided under this legislation if the procurement could otherwise be made from a different source under section 4124 or 4125 of title 18, United States Code, or the Javits-Wagner-O'Day Act.

Section 3 would establish a four-year pilot program in the Department of Veterans Af-

fairs in which service-disabled veteran-owned and controlled small businesses would have the same contracting priority as the 8(a) program.

This section would define "qualified service-disabled veteran" as any veteran who (1) has one or more disabilities that are service-connected as defined in section 101(16) of title 38, United States Code, and are rated at 10 percent or more by the Secretary of Veterans Affairs, or (2) is entitled to benefits under section 1151 of title 38, United States Code.

Section 3 would define "small business concerns owned and controlled by qualified service-disabled veterans" as (1) one in which not less than 51 percent of which is owned by one or more qualified service-disabled veterans or, in the case of any publicly-owned businesses, not less than 51 percent of the stock of which is owned by one or more qualified service-disabled veterans, and (2) the management and daily business operations of which are controlled by one or more qualified service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent care giver of the veteran.

Section 3 would define the term "certified small business concerns owned and controlled any qualified service-disabled veterans" as any small business concern owned and controlled by qualified service-disabled veterans that is certified by the Administrator of the Small Business Administration as being such a concern.

##### *Senate Bill*

The Senate Bill contains no comparable provision.

##### *Compromise Agreement*

Section 308 of the Compromise Agreement would provide Federal contracting officials the discretionary authority to award sole source contracts (limited to contracts of up to \$5 million for manufacturing and \$3 million for non-manufacturing) to SBCs owned and controlled by service-disabled veterans. This section would also provide Federal contracting officials, in certain circumstances, the discretionary authority to award contracts on a restricted competition basis to SBCs owned and controlled by service-disabled veterans. This provision would not supercede any existing procurement preference established under law. Specifically, it would not accord service-disabled veteran small business owners priority over procurement preferences under the Federal Prison Industries, Javits-Wagner-O'Day, SBA 8(a), Women's, or HubZone programs. Rather, the Committees intend the provision to provide Federal contracting officials a means to improve their results with respect to contracting with service-disabled veterans. The Committees note that in 1999, Public Law 106-50 established a 3 percent government-wide goal for procurement from service-disabled veteran-owned small businesses. To date, all Federal agencies fall far short of reaching this procurement goal. The Committees intend that a determination of service-connection by the Secretary of Veterans Affairs would be binding on the SBA for purposes of participation in this program. The Committees also urge the SBA and the Office of Federal Procurement Policy to expeditiously and transparently implement this program, perform outreach, and provide the necessary resources to improve results with respect to SBCs owned and operated by service-disabled veterans.

#### OUTSTATIONING OF TRANSITION ASSISTANCE PROGRAM PERSONNEL

##### *Current Law*

Section 1144 of title 10, United States Code, authorizes the Secretary of Labor to place

staff in veterans' assistance offices on military installations, both foreign and domestic, to help transitioning servicemembers obtain civilian jobs.

#### *House Bill*

Section 19 of H.R. 2297, as amended, would require the Department of Labor to place staff in veterans' assistance offices where VA staff are located at overseas military installations 90 days after enactment. It would also authorize the Department of Labor to exceed the number of VA locations and place staff in additional locations abroad.

#### *Senate Bill*

The Senate Bill contains no comparable provision.

#### *Compromise Agreement*

Section 309 of the Compromise Agreement follows the House language with a technical modification.

#### TITLE IV: HOUSING BENEFITS AND RELATED MATTERS

AUTHORIZATION TO PROVIDE ADAPTED HOUSING ASSISTANCE TO CERTAIN DISABLED MEMBERS OF THE ARMED FORCES WHO REMAIN ON ACTIVE DUTY

#### *Current Law*

Section 2101 of title 38, United States Code, provides for grants to adapt or acquire suitable housing for certain severely disabled veterans, including veterans who are unable to ambulate without assistance. Severely disabled servicemembers who have not yet been processed for discharge from military service, but who will qualify for the benefit upon discharge due to the severity of their disabilities, are not allowed to apply for or receive the grant until they are actually discharged from military service.

#### *House Bill*

Section 4 of H.R. 1460, as amended, would permit a member of the Armed Forces to apply for and receive a grant prior to actually being discharged from military service.

#### *Senate Bill*

The Senate Bill contains no comparable provision.

#### *Compromise Agreement*

Section 401 of the Compromise Agreement follows the House language.

INCREASE IN AMOUNTS FOR CERTAIN ADAPTIVE BENEFITS FOR DISABLED VETERANS

#### *Current Law*

The Secretary of Veterans Affairs is authorized in chapter 21 of title 38, United States Code, to assist eligible veterans in acquiring suitable housing and adaptations with special fixtures made necessary by the nature of the veteran's service-connected disability, and with the necessary land. The maximum amount authorized for a severely disabled veteran is \$48,000. The maximum amount authorized for less severely disabled veterans is \$9,250.

Section 3902(a) of title 38, United States Code, authorizes the Secretary to pay up to \$9,000 to an eligible disabled servicemember or veteran to purchase an automobile (including all state, local, and other taxes).

#### *House Bill*

Section 10(a) of H.R. 2297, as amended, would increase the specially adapted housing grants for the most severely disabled veterans from \$48,000 to \$50,000, and from \$9,250 to \$10,000 for less severely disabled veterans.

Section 10(b) would increase the specially adapted automobile grant from \$9,000 to \$11,000.

#### *Senate Bill*

The Senate Bill contains no comparable provision.

#### *Compromise Agreement*

Section 402 of the Compromise Agreement follows the House language.

PERMANENT AUTHORITY FOR HOUSING LOANS FOR MEMBERS OF THE SELECTED RESERVE

#### *Current Law*

Under section 3702(a)(2)(E) of title 38, United States Code, members of the Selected Reserve qualify for a VA home loan if the reservist has served for a minimum of six years. Eligibility for reservists under this program is scheduled to expire on September 30, 2009.

#### *House Bill*

Section 13 of H.R. 2297, as amended, would make the Selected Reserve home loan program permanent.

#### *Senate Bill*

The Senate Bill contains no comparable provision.

#### *Compromise Agreement*

Section 403 of the Compromise Agreement follows the House language.

REINSTATEMENT OF MINIMUM REQUIREMENTS FOR SALE OF VENDEE LOANS

#### *Current Law*

Section 3733 of title 38, United States Code, generally establishes property management policies for real property acquired by the Department of Veterans Affairs as a result of a default on a loan that VA has guaranteed.

#### *House Bill*

Section 15 of H.R. 2297, as amended, would reinstate the vendee loan program which VA administratively terminated on January 31, 2003. It would increase from 65 percent to 85 percent the maximum number of purchases of real property the Secretary may finance in a fiscal year. It would change the vendee loan program from a discretionary to a mandatory one.

#### *Senate Bill*

Section 308 of S. 1132, as amended, contains an identical provision.

#### *Compromise Agreement*

Section 404 of the Compromise Agreement contains this provision. However, the Compromise Agreement specifies that the changes made under this provision shall expire after September 30, 2013.

ADJUSTMENT TO HOME LOAN FEES AND UNIFORMITY OF FEES FOR QUALIFYING RESERVE MEMBERS WITH FEES FOR ACTIVE DUTY VETERANS

#### *Current Law*

Section 3729(a) of title 38, United States Code, requires that a fee shall be collected from each person (1) obtaining a housing loan guaranteed, insured, or made under chapter 37; and (2) assuming a loan to which section 3714 (concerning loan assumptions) applies. The fee may be included in the loan.

Section 3729(b) of title 38, United States Code, determines the amount of the home loan fees expressed as a percentage of the total amount of the loan guaranteed, insured, or made, or, in the case of a loan assumption, the unpaid principal balance of the loan on the date of the transfer of the property.

Section 3729(b)(2) requires that veterans who served in the Selected Reserve pay 75 basis points more than veterans with active duty service.

#### *House Bill*

Section 14 of H.R. 2297, as amended, would make four revisions to the Loan Fee Table. First, it would provide uniformity in the funding fees for VA-guaranteed home loans charged to those who served in the Selected Reserve and veterans with active duty service. Second, beginning in fiscal year 2004, it would increase the fee charged for loans made with no down payment by 15 basis points. Third, it would increase the fee

charged for repeated use of the home loan benefit, i.e., for a second or subsequent loan, by 30 basis points for the fiscal year 2004–2011 period and by 90 basis points in fiscal years 2012 and 2013. Fourth, it would replace the existing range of fees for hybrid adjustable rate mortgages under the current pilot program with a flat fee of 1.25 percent.

#### *Senate Bill*

Section 307 of S. 1132, as amended, would increase the funding fees for subsequent use of a guaranty by 50 basis points, but only between fiscal years 2005 and 2011.

#### *Compromise Agreement*

Section 405 of the Compromise Agreement would follow the House language, except that a funding fee for members of the Selected Reserve would, for initial use of a guaranty, be set 25 basis points higher than applicable funding fees set for veterans with active duty service. Further, for the period January 1, 2004 through September 30, 2004 only, in the case of active-duty veterans making initial loans with zero dollars down, the fee would be increased from 2.15 percent to 2.20 percent. In addition, the Compromise Agreement would not effect a 1.25 percent flat fee for hybrid adjustable rate mortgage loans.

ONE-YEAR EXTENSION OF PROCEDURES ON LIQUIDATION SALES OF DEFAULTED HOME LOANS GUARANTEED BY THE DEPARTMENT OF VETERANS AFFAIRS

#### *Current Law*

Section 3732 of title 38, United States Code, defines the procedures for a liquidation sale of a property acquired by VA in the event of a default on a VA-guaranteed home loan. The procedures direct VA to follow a formula, defined in statute, which mandates VA consider losses it might incur when selling properties acquired through foreclosure. Ultimately, after considering the loss VA can make a determination whether to, in fact, acquire the property or simply pay the guaranty on the loan used to purchase the property. The authority for these procedures is currently set to expire on October 1, 2011.

#### *House Bill*

The House Bill contains no comparable provision.

#### *Senate Bill*

The Senate Bill contains no comparable provision.

#### *Compromise Agreement*

Section 406 of the Compromise Agreement would extend the application of the liquidation sale procedures through October 1, 2012.

#### TITLE V: BURIAL BENEFITS

BURIAL PLOT ALLOWANCE

#### *Current Law*

Veterans who are discharged from active duty service as a result of a service-connected disability, veterans who are entitled to disability compensation or VA pension, and veterans who die in a VA facility are eligible for a \$300 VA "plot allowance" if they are not buried in a national cemetery. Section 2303(b)(1) of title 38, United States Code, allows state cemeteries to receive the \$300 plot allowance payment for the interment of such veterans, and the interment of veterans of any war, if the cemeteries are used solely for the burial of veterans. However, states may not receive a plot allowance for burial of veterans who die as a result of a service-connected disability and whose survivors seek reimbursement of funeral expenses under section 2307 of title 38, United States Code (which currently authorizes a \$2,000 funeral expense benefit).

#### *House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 201 of S. 1132, as amended, would expand existing law to allow states to receive the \$300 plot allowance for the interment of veterans who did not serve during a wartime period and for the interment of veterans who died as a result of service-connected disabilities and whose survivors sought reimbursement of funeral expenses under section 2307 of title 38, United States Code.

*Compromise Agreement*

Section 501 of the Compromise Agreement follows the Senate language.

ELIGIBILITY OF SURVIVING SPOUSES WHO REMARRY FOR BURIAL IN NATIONAL CEMETERIES  
*Current Law*

Section 2402(5) of title 38, United States Code, prohibits a surviving spouse of a veteran who has remarried from being buried with the veteran spouse in a national cemetery if the remarriage is in effect when the veteran's surviving spouse dies. Public Law 103-466 revised eligibility criteria for burial in a national cemetery to reinstate burial eligibility for a surviving spouse of an eligible veteran whose subsequent remarriage was terminated by death or divorce.

*House Bill*

Section 7 of H.R. 2297, as amended, would allow the surviving spouse of a veteran to be eligible for burial in a VA national cemetery based on his or her marriage to the veteran, regardless of the status of the subsequent marriage. This eligibility revision would be effective January 1, 2000.

*Senate Bill*

Section 202 of S. 1132, as amended, contains a similar provision, with the eligibility revision being effective on date of enactment.

*Compromise Agreement*

Section 502 of the Compromise Agreement follows the House language. Despite the inclusion of an additional group of persons (i.e., remarried spouses) eligible for national cemetery burial under the Compromise Agreement, the Secretary retains the authority under section 2402(6) of title 38, United States Code, to grant or deny national cemetery burial for other persons, or classes of persons, not explicitly granted eligibility in statute. It has come to the Committees' attention that VA's record-keeping system concerning which persons are granted or denied waivers for burial in national cemeteries is, at best, incomplete. Adequate records on burial waivers are necessary to ensure that the Secretary's judgment on waiver cases is being applied uniformly to all applicants. The Committees direct VA to rectify gaps in its waiver-accounting system so that basic information, such as which persons are denied burial waivers and the reasons for the denial, will be available.

## PERMANENT AUTHORITY FOR STATE CEMETERY GRANTS PROGRAM

*Current Law*

Section 2408(a)(2) of title 38, United States Code, authorizes appropriations, through fiscal year 2004, for VA to make grants to States to assist them in establishing, expanding, or improving state veterans' cemeteries.

*House Bill*

Section 8 of H.R. 2297, as amended, would make the State Cemetery Grants Program permanent.

*Senate Bill*

Section 203 of S. 1132, as amended, contains a similar provision with an additional technical change.

*Compromise Agreement*

Section 503 of the Compromise Agreement follows the Senate language.

## TITLE VI: EXPOSURE TO HAZARDOUS SUBSTANCES

## RADIATION DOSE RECONSTRUCTION PROGRAM OF DEPARTMENT OF DEFENSE

*Current Law*

Section 3.311 of title 38, Code of Federal Regulations, sets out procedures for the adjudication of claims by VA for benefits premised on a veteran's exposure to ionizing radiation in service. For veterans who claim radiation exposure due to participation in nuclear atmospheric testing from 1945 through 1962, or due to occupation duty in Hiroshima and Nagasaki prior to July 1, 1946, dose data are requested from the Department of Defense ("DOD"). DOD's Defense Threat Reduction Agency ("DTRA") pays a private contractor to estimate radiation exposure through a process called radiation dose reconstruction.

There is no entity under existing law which provides independent oversight of DTRA's radiation dose reconstruction process.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 331 of S. 1132, as amended, would require VA and DOD to review, and report on the mission, procedures, and administration of the radiation dose reconstruction program. It would also require VA and DOD to establish an advisory board to oversee the program.

*Compromise Agreement*

Section 601 of the Compromise Agreement follows the Senate language.

## STUDY ON DISPOSITION OF AIR FORCE HEALTH STUDY

*Current Law*

The Air Force Health Study ("AFHS") was initiated by DOD in 1982 to examine the effects of herbicide exposure and health, mortality, and reproductive outcomes in veterans of Operation Ranch Hand, the activity responsible for aerial spraying of herbicides during the Vietnam Conflict. The study will conclude in 2006.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 332 of S. 1132, as amended, would direct VA to enter into an agreement with the National Academy of Sciences ("NAS") under which NAS would report on the following: (1) the scientific merit of retaining AFHS data after the Ranch Hand study is terminated; (2) obstacles to retaining the AFHS data which may exist; (3) the advisability of providing independent oversight of the data; (4) the advisability and prospective costs of extending the study and the identity of an entity which would be suited to continue the study; and (5) the advisability of making laboratory specimens from the study available for independent research.

*Compromise Agreement*

Section 602 of the Compromise Agreement follows the Senate language, but the reporting deadline is extended to 120 days.

## FUNDING OF MEDICAL FOLLOW-UP AGENCY OF INSTITUTE OF MEDICINE OF NATIONAL ACADEMY OF SCIENCES FOR EPIDEMIOLOGICAL RESEARCH ON MEMBERS OF THE ARMED FORCES AND VETERANS

*Current Law*

Public Law 102-585 requires that VA and DOD each contribute \$250,000 in annual core funding to the Medical Follow-Up Agency ("MFUA") for a period of 10 years. MFUA is

a panel of the Institute of Medicine which researches military health issues.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 333 of S. 1132, as amended, would mandate VA and DOD funding for MFUA, at current levels, from fiscal year 2004 through 2013.

*Compromise Agreement*

Section 603 of the Compromise Agreement follows the Senate language.

## TITLE VII: OTHER MATTERS

## TIME LIMITATIONS ON RECEIPT OF CLAIM INFORMATION PURSUANT TO REQUESTS OF DEPARTMENT OF VETERANS AFFAIRS

*Current Law*

Section 5102(b) of title 38, United States Code, requires that VA, in cases where it receives an application for benefits that is not complete, notify the applicant of the information that is necessary to complete the application for benefits. Similarly, section 5103(a) of title 38, United States Code, requires that VA, when it receives a complete or a substantially complete application for benefits, notify the applicant of any information or evidence necessary to substantiate the claim. Section 5103(b) of title 38, United States Code, states that if information or evidence requested under section 5103(a) is not received within one year of the date of such notification, no benefit may be paid by reason of that application for benefits.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 310 of S. 1132, as amended, would require that claimants who have submitted an incomplete application under section 5102(b) of title 38, United States Code, and who have been notified that information is required to complete the application, submit the information within one year of the date of notification or else no benefit would be paid by reason of the application. It would also clarify section 5103(b) by stating that that subsection would not be construed to prohibit VA from making a decision on a claim before the expiration of the one-year period. Section 310 would be effective as if enacted on November 9, 2000, immediately after the enactment of the Veterans Claims Assistance Act of 2000.

*Compromise Agreement*

Section 701 of the Compromise Agreement would follow the Senate language, but would make a further amendment to section 5103(b) of title 38, United States Code, to remove the statutory bar to payment of benefits when information or evidence, requested of the claimant by VA, is not submitted within one year of the notification requesting such information or evidence. If a matter is on appeal and evidence is received beyond the one-year period relating to the original claim, it should be considered.

Section 701(d)(1) of the Compromise Agreement would require VA to readjudicate the original claim when a claimant adequately asserts he or she was misled upon receiving notification from VA of the information or evidence needed to substantiate the claim. However, section 701(d)(4) specifies that the Secretary is not required to identify or readjudicate any claim based upon the authority given to the Secretary under this section when information or evidence was submitted during the one-year period following the notification or when the claim has been the subject of a timely appeal to the Board of Veterans' Appeals or the United States Court of Appeals for Veterans Claims.

CLARIFICATION OF APPLICABILITY OF PROHIBITION ON ASSIGNMENT OF VETERANS BENEFITS TO AGREEMENTS ON FUTURE RECEIPT OF CERTAIN BENEFITS

#### *Current Law*

Section 5301 of title 38, United States Code, prohibits the assignment of VA benefits and exempts such benefits from taxation and from the claims of creditors.

#### *House Bill*

The House Bill contains no comparable provision.

#### *Senate Bill*

Section 311 of S. 1132, as amended, would clarify current statutory language prohibiting the assignment of benefits and specify that any agreement under which a VA beneficiary might purport to transfer to another person or entity the right to receive direct or indirect payments of compensation, pension, or DIC benefits shall be deemed to be a prohibited assignment. Section 311 would also make it clear that such prohibitory language would not bar loans to VA beneficiaries which might be repaid with funds derived from VA, so long as each periodic payment made under the loan is separately and voluntarily executed by the beneficiary at the time the payment is made.

#### *Compromise Agreement*

Section 702 of the Compromise Agreement would follow the Senate language but would modify it to state that payments on loans are explicitly allowed when made by preauthorized electronic funds transfers pursuant to the Electronic Funds Transfers Act ("EFTA"). The EFTA defines a characteristic of these transfers as allowing the beneficiary to direct his or her financial institution to cease payments upon the beneficiary's notice. It is the Committees' intent to ensure that methods of loan repayment would not be limited for disabled veterans. The Compromise Agreement would also eliminate the section that specifies the effective date of the provision. It is the Committees' intent that prohibition against assignment shall be enforced through coordination with appropriate authorities.

SIX-YEAR EXTENSION OF ADVISORY COMMITTEE ON MINORITY VETERANS

#### *Current Law*

Section 544 of title 38, United States Code, mandates that VA establish an Advisory Committee on Minority Veterans. The Secretary of Veterans Affairs must, on a regular basis, consult with and seek the advice of the Advisory Committee with respect to issues relating to the administration of benefits for minority group veterans. The Secretary must also consult with and seek the advice of the Committee with respect to reports and studies pertaining to such veterans, and the needs of such veterans for compensation, health care, rehabilitation, outreach, and other benefits and programs administered by VA. The Advisory Committee is required to submit an annual report providing its assessment of the needs of minority veterans, VA programs designed to meet those needs, and any recommendations the Advisory Committee considers appropriate. The authorization for the Advisory Committee expires on December 31, 2003.

#### *House Bill*

The House Bill contains no comparable provision.

#### *Senate Bill*

Section 341 of S. 1132, as amended, would extend the authorization of the Advisory Committee on Minority Veterans until December 31, 2007.

#### *Compromise Agreement*

Section 703 of the Compromise Agreement would extend the authorization of the Advisory Committee until December 31, 2009.

TEMPORARY AUTHORITY FOR PERFORMANCE OF MEDICAL DISABILITIES EXAMINATIONS BY CONTRACT PHYSICIANS

#### *Current Law*

Section 504 of Public Law 104-275 authorized VA to carry out a contract disability examination pilot program at 10 VA regional offices. The law specifies that VA draw funds for the program from amounts available to the Secretary of Veterans Affairs for compensation and pensions.

#### *House Bill*

The House Bill contains no comparable provision.

#### *Senate Bill*

Section 343 of S. 1132, as amended, would authorize VA, using funds subject to appropriation, to contract for disability examinations from non-VA providers at all VA regional offices. Such examinations would be conducted pursuant to contracts entered into and administered by the Under Secretary for Benefits. The Secretary's authority under this section would expire on December 31, 2009. No later than four years after the section's enactment, the Secretary would be required to submit a report assessing the cost, timeliness, and thoroughness of disability examinations performed under this section.

#### *Compromise Agreement*

Section 704 of the Compromise Agreement follows the Senate language, but adds a technical modification that would clarify that the authority granted the Secretary under section 704 of the Compromise Agreement is in addition to the authority already granted the Secretary under Section 504 of Public Law 104-275. Thus, it is the Committees' intent that VA's existing contract for disability examinations under the authority of Public Law 104-275 remain in force. It is also the Committees' intent that the Secretary's ability to enter into contracts in the future under the strictures of Section 504 of Public Law 104-275 remain in force as well.

FORFEITURE OF BENEFITS FOR SUBVERSIVE ACTIVITIES

#### *Current Law*

Section 6105 of title 38, United States Code, provides that an individual convicted after September 1, 1959, of any of several specified offenses involving subversive activities shall have no right to gratuitous benefits (including the right to burial in a national cemetery) under laws administered by the Secretary of Veterans Affairs. No other person shall be entitled to such benefits on account of such individual.

#### *House Bill*

Section 20 of H.R. 2297, as amended, would amend current law to supplement the list of serious Federal criminal offenses for which a veteran's conviction results in a bar to VA benefits, including burial in a national cemetery. The following criminal offenses from title 18, United States Code, would be added: section 175, prohibited activities with respect to biological weapons; section 229, prohibited activities with respect to chemical weapons; section 831, prohibited transactions involving nuclear materials; section 1091, genocide; section 2332a, use of certain weapons of mass destruction; and section 2332b, acts of terrorism transcending national boundaries. All of these offenses, which involve serious threats to national security, were added to title 18, United States Code, after the enactment of the provisions in section 6105 of title 38, United States Code.

#### *Senate Bill*

Section 313 of S. 1132, as amended, contains an identical provision.

#### *Compromise Agreement*

Section 705 of the Compromise Agreement contains this provision.

TWO-YEAR EXTENSION OF ROUND-DOWN REQUIREMENT FOR COMPENSATION COST-OF-LIVING ADJUSTMENTS

#### *Current Law*

Sections 1104(a) and 1303(a) of title 38, United States Code, mandate that yearly cost-of-living adjustments made to rates of compensation and dependency and indemnity compensation be rounded down to the nearest whole dollar amount. This authority expires on September 30, 2011.

#### *House Bill*

The House Bill contains no comparable provision.

#### *Senate Bill*

Section 301 of S. 1132, as amended, would extend the round-down authority under sections 1104(a) and 1303(a) through fiscal year 2013.

#### *Compromise Agreement*

Section 706 of the Compromise Agreement follows the Senate language.

CODIFICATION OF REQUIREMENT FOR EXPEDITIOUS TREATMENT OF CASES ON REMAND

#### *Current Law*

Section 302 of Public Law 103-446 requires the Secretary of Veterans Affairs to provide for the expeditious treatment by the Board of Veterans' Appeals and by regional offices of the Veterans Benefits Administration of claims remanded by the Board of Veterans' Appeals or the United States Court of Appeals for Veterans Claims.

#### *House Bill*

The House Bill contains no comparable provision.

#### *Senate Bill*

The Senate Bill contains no comparable provision.

#### *Compromise Agreement*

Section 707 of the Compromise Agreement would codify the provisions of section 302 of Public Law 103-446. Expedited treatment of decisions of the Board of Veterans' Appeals would be codified in chapter 51 of title 38, United States Code. Expedited treatment of decisions of the United States Court of Appeals for Veterans Claims would be codified in chapter 71 of title 38, United States Code.

#### LEGISLATIVE PROVISIONS NOT ADOPTED

CLARIFICATION OF NOTICE OF DISAGREEMENT FOR APPELLATE REVIEW OF DEPARTMENT OF VETERANS AFFAIRS ACTIVITIES

#### *Current Law*

Claimants for VA benefits who disagree with an initial decision rendered by VA may initiate an appeals process by submitting a written notice of disagreement ("NOD") within one year after the claimant was notified of the initial decision. Section 7105(b) of title 38, United States Code, states that an NOD "must be in writing and filed with the activity which entered the determination with which disagreement is expressed." Upon the timely filing of an NOD, VA is required to provide appellate review of its initial benefits rating decision.

VA has promulgated regulations to implement section 7105 of title 38, United States Code, which state that "while special wording is not required, the Notice of Disagreement must be in terms which can be reasonably construed as disagreement with the determination and [expressing a] desire for appellate review." 38 CFR §20.201 (2002).

#### *House Bill*

The House Bill contains no comparable provision.

#### *Senate Bill*

Section 314 of S. 1132, as amended, would clarify section 7105(b) of title 38, United

States Code, by requiring that VA deem any written document which expresses disagreement with a VA decision to be an NOD unless VA finds that the claimant has disavowed a desire for appellate review. This section would be effective with respect to documents filed on or after the date of enactment, and with respect to documents filed before the date of enactment and not treated by VA as an NOD pursuant to part 20.201 of title 38, Code of Federal Regulations. Furthermore, a document filed as an NOD after March 15, 2002, and rejected by the Secretary as insufficient would, at VA motion or at the request of a claimant within one year of enactment, be deemed to be an NOD if the document expresses disagreement with a decision and VA finds that the claimant has not disavowed a desire for appellate review.

PROVISION OF MARKERS FOR PRIVATELY  
MARKED GRAVES

*Current Law*

Section 502 of Public Law 107-103, the Veterans Education and Benefits Expansion Act of 2001, authorizes VA to furnish a government headstone or marker for the grave of an eligible veteran buried in a non-veterans' cemetery irrespective of whether the grave was already marked with a private marker. The law applies to veterans whose deaths occurred on or after December 27, 2001. Public Law 107-330 extended this authority to include deaths occurring on or after September 11, 2001.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 204 of S. 1132, as amended, would amend the Veterans Education and Benefits Expansion Act of 2001 to authorize VA to furnish a government headstone or marker for the grave of an eligible veteran buried in a private cemetery, irrespective of whether the grave was already marked with a private marker, for deaths occurring on or after November 1, 1990.

TERMINATION OF AUTHORITY TO GUARANTEE  
LOANS TO PURCHASE MANUFACTURED HOMES  
AND LOTS

*Current Law*

Section 3712 of title 38, United States Code, authorizes VA to guarantee loans for the purchase of a manufactured home and a lot on which it is sited.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 306 of S. 1132, as amended, would eliminate VA's authority to guarantee loans to purchase a manufactured home and the lot on which it is sited.

REINSTATEMENT OF VETERANS VOCATIONAL  
TRAINING PROGRAM FOR CERTAIN PENSION RE-  
CIPIENTS

*Current Law*

Section 1524 of title 38, United States Code, authorized a pilot program of vocational training to certain nonservice-connected pension recipients. The initial pilot program was in place from February 1, 1985, through January 31, 1992. Public Law 102-562 extended the program through December 31, 1995.

*House Bill*

Section 9 of H.R. 2297, as amended, would reinstate the VA pilot program for five years beginning on the date of enactment to provide vocational training to newly eligible VA nonservice-connected pension recipients. The program would be open to those veterans age 45 years or younger. The Department of Veterans Affairs would be required to ensure

that the availability of vocational training is made known through various outreach methods. Not later than two years after the date of enactment, and each year thereafter, the Secretary would be required to submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report on the operation of the pilot program. The report would include an evaluation of the vocational training provided, an analysis of the cost-effectiveness of the training provided, and data on the entered-employment rate of veterans participating in the program.

*Senate Bill*

The Senate Bill contains no comparable provision.

THREE-YEAR EXTENSION OF INCOME  
VERIFICATION AUTHORITY

*Current Law*

Section 5317 of title 38, United States Code, directs VA to notify applicants for needs-based VA benefits that information collected from the applicants may be compared with income-related information obtained by VA from the Internal Revenue Service and the Department of Health and Human Services. The authority of the Secretary of Veterans Affairs to obtain such information expires on September 30, 2008.

Section 6103(l)(7)(D)(viii) of the Internal Revenue Code authorizes the release of income information by the Internal Revenue Service to VA. This authority expires on September 30, 2008.

*House Bill*

The House Bill contains no comparable provision.

*Senate Bill*

Section 312 of S. 1132, as amended, would extend until September 30, 2011, the authority of the Secretary to obtain income information under section 5317 of title 38, United States Code, and the authority of the Internal Revenue Service to share income information under section 6103(l)(7)(D)(viii) of the Internal Revenue Code.

Mr. BILIRAKIS. Mr. Speaker, I rise in strong support of H.R. 2297, the Veterans' Benefits Act of 2003. This bill addresses an issue that I have been working on for a number of years. Dependency and Indemnity Compensation (DIC) is the benefit accorded to the surviving dependents of those members of the Armed Forces who died while on active duty or of a service-connected cause.

DIC is the only federal annuity program that does not allow a widow who is receiving compensation to remarry at an older age and retain her annuity. Earlier this year, I reintroduced legislation which provides that the remarriage of the surviving spouse of a veteran after age 55 shall not result in termination of Dependency and Indemnity Compensation.

I was pleased that my legislation was incorporated into H.R. 2297 when it passed the House in October. The bill that we are considering today, which was worked out with the Senate, slightly modifies my original provision to provide that a surviving spouse upon remarriage after age 57 would retain DIC, home loan and educational benefits eligibility. Surviving spouses who remarried after attaining age 57 prior to enactment of the Compromise Agreement would have one year to apply for reinstatement of these benefits.

I think it is a wonderful thing if an older person finds companionship, falls in love and decides to marry. I don't think we should be discouraging such marriages by making them financially burdensome. In these circumstances,

it is often the case that both partners are living on fixed incomes. The prospect of one partner losing financial benefits as a result of the marriage is a real disincentive.

Once again, I would like to thank Chairman SMITH, Ranking Member EVANS, Benefits Subcommittee Chairman BROWN and Subcommittee Ranking Member MICHAUD for working with me to include a DIC remarriage provision in H.R. 2297.

I urge my colleagues to support the bill before us today.

Mr. SMITH of New Jersey. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TERRY). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 2297.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2297.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMPACT OF FREE ASSOCIATION  
AMENDMENTS ACT OF 2003

Mr. LEACH. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the joint resolution (H.J. Res. 63) to approve the "Compact of Free Association, as amended between the Government of the United States of America and the Government of the Federated States of Micronesia", and the "Compact of Free Association, as amended between the Government of the United States of America and the Government of the Republic of the Marshall Islands," and otherwise to amend Public Law 99-239, and to appropriate for the purposes of amended Public Law 99-239 for fiscal years ending on or before September 30, 2023, and for other purposes.

The Clerk read as follows:

Senate amendments:

Strike out all after the resolving clause and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This joint resolution, together with the table of contents in subsection (b) of this section, may be cited as the "Compact of Free Association Amendments Act of 2003".

(b) TABLE OF CONTENTS.—The table of contents for this joint resolution is as follows:

Sec. 1. Short title and table of contents.